NYE COUNTY AGENDA INFORMATION FORM

☒ **Action** ☐ **Presentation** ☐ **Presentation & Action**

Department: Nye County Planning	**Agenda Date:**
Category: Timed Agenda Item – 11:00 a.m.	**August 21, 2018**

Contact: Brett Waggoner	Phone: 775-751-4249	Continued from meeting of:
Return to: Brett Waggoner	**Location: Pahrump Planning**	Phone: 775-751-4249

Action requested: (Include what, with whom, when, where, why, how much ($) and terms)

Public Hearing, discussion and deliberation to: 1) Adopt, amend and adopt, or reject Nye County Bill No. 2018-15: A bill proposing to adopt a Development Agreement between the County of Nye and ARES Nevada LLC, as the Developer of the Regulation Energy Management Project, to construct and operate an Access Road, Maintenance and Control Buildings, Rail Line, Rail Line Corridor/Maintenance Roadway, Overhead Catenary Powerline and Interconnection Line, Laydown Yard and Temporary Construction Areas on approximately six-acres of public lands located within Nye County on Bureau of Land Management parcel APN: 045-011-13 and generally located at the Nye-Clark County line in the southeast area of the community on property addressed as 8500 E Manse Road and located within T21S, R54E, Section 1; providing for the severability, constitutionality and effective date thereof; and other matters properly related thereto.

Complete description of requested action: (Include, if applicable, background, impact, long-term commitment, existing county policy, future goals, obtained by competitive bid, accountability measures)

Staff recommends adoption with and effective date of September 10, 2018

Any information provided after the agenda is published or during the meeting of the Commissioners will require you to provide 20 copies: one for each Commissioner, one for the Clerk, one for the District Attorney, one for the Public and two for the County Manager. Contracts or documents requiring signature must be submitted with three original copies.

Expenditure Impact by FY(s): (Provide detail on Financial Form)

☐ No financial impact

Routing & Approval (Sign & Date)

1. Dept	Date	6.	Date:
2.	Date	7. HR	Date:
3.	Date	8. Legal RB	Date: 8/15/18
4.	Date	9. Finance	Date: N/A
5.	Date	10. **County Manager** ☐ Place on Agenda	Date:

ITEM # 11

BILL NO. 2018-15

NYE COUNTY ORDINANCE NO. ___

SUMMARY: A Bill proposing to adopt a Development Agreement between the County of Nye and ARES Nevada, LLC, as the Developer of the Regulation Energy Management Project to construct and operate an Access Road, Maintenance and Control Buildings, Rail Line, Rail Line Corridor/Maintenance Roadway, Overhead Catenary Powerline and Interconnection Line to an existing 230 kV transmission line, including Lay-down Yards and Temporary Construction areas on approximately six-acres of public lands located within Nye County; providing for the severability, constituationality and effective date thereof; and other matters property relating thereto.

TITLE: A BILL PROPOSING TO ADOPT A DEVELOPMENT AGREEMENT BETWEEN THE COUNTY OF NYE AND ARES NEVADA, LLC, AS THE DEVELOPER OF THE REGULATION ENERGY MANAGEMENT PROJECT TO CONSTRUCT AND OPERATE AN ACCESS ROAD, MAINTENANCE AND CONTROL BUILDINGS, RAIL LINE, RAIL LINE CORRIDOR/MAINTENANCE ROADWAY AND INTERCONNECTION LINE TO AN EXISTING 230 KV TRANSMISSION LINE, INCLUDING LAY DOWN YARDS AND TEMPORARY CONSTRUCTION AREAS ON APPROXIMATELY SIX-ACRES OF PROPERTY LOCATED WITHIN NYE COUNTY; PROVIDING FOR THE SEVERABILITY, CONSTITUATIONALITY AND EFFECTIVE DATE THEREOF; AND OTHER MATTERS PROPERTY RELATING THERETO.

WHEREAS, pursuant to NRS 278.020, for the purpose of promoting the health, safety, morals or the general welfare of the residents of Nye County, the Nye County Board of County Commissioners (Board) is authorized and empowered to regulate and restrict the improvement of land and to control the location and soundness of structures; and

WHEREAS, any such regulation, restriction and control must take into account the potential impairment of natural resources and the total population which the available natural resources will support without unreasonable impairment; and

WHEREAS, NRS 278.0203 and Nye County Code Chapter 16.32 authorizes the Board to enter into agreements concerning the development of land with any person having a legal or equitable interest in such land, and such agreements must be in the manner prescribed by ordinance; and

WHEREAS, the Board finds it desirous at this time to allow for the consideration and use of development agreements through the adoption of an ordinance setting forth the standards and manner in which such agreements may be considered;

NOW, THEREFORE, the Board of County Commissioners of the County of Nye, State of Nevada does hereby ordain as follows:

SEVERABILITY. If any provision of this Ordinance or amendments thereto, or the application thereof to any person, thing or circumstance is held to be invalid, such invalidity shall not affect the validity or provisions or applications of this Ordinance or amendments thereto which can be given effect without the invalid provisions or applications, and to this end the provisions of this Ordinance and amendments thereto are declared to be severable.

CONSTITUTIONALITY. If any section, clause or phrase of this Ordinance shall be declared unconstitutional by a court of competent jurisdiction, the remaining provisions of this Ordinance shall continue in full force and effect.

EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after passage, approval, and publication as required by law; to wit, from and after the ____ day of _____, _____.

Proposed on the 17 day of July, 2018.

Proposed by Commissioner

Adopted on the ___ day of August, 2018.

Vote: Ayes: Commissioners:

Nays: Commissioners:

Absent: Commissioners:

BY: _____
John Koenig, Chairman
Nye County Board of
County Commissioners

ATTEST: _____
Sandra L. Merlino
Nye County Clerk and Ex-Officio
Clerk of the Board

A DEVELOPMENT AGREEMENT

BY AND BETWEEN

NYE COUNTY,

AND

ARES NEVADA LLC

August ____, 2018

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This Development Agreement (the "Agreement") is made and entered into this _____ day of _____, 20__ by and between the County of Nye, State of Nevada (hereinafter "County") and ARES Nevada, LLC (hereinafter "Developer"), as the Developer of the Regulation Energy Management (hereinafter "REM") Project.

RECITAL OF PREMISES, PURPOSE AND INTENT

A. Developer or its affiliate controls or has a right of way application with the BLM to develop and operate the REM Project on that certain real property described and shown on Exhibit "A" attached hereto and incorporated herein by reference (hereinafter the "Property") containing approximately 43.5 acres of land, which is the subject of this Agreement. Developer desires to construct a renewable energy project on the Property.

B. The County has authority, pursuant to NRS Chapter 278.0201 to 278.0207 and Nye County Nye County Code, Chapter 16.32, to enter into development agreements with persons having a legal or equitable interest in real property to establish long-range plans for the development of such property.

C. All preliminary processing with regard to this Agreement has been duly completed in conformance with all applicable laws, rules and regulations. The Nye County Board of County Commissioners (hereinafter "BoCC"), having given notice as required by law, held a public hearing on(insert date), regarding the Developer's application seeking approval of the form of this Agreement and the execution hereof by the BoCC. At that hearing, the BoCC found that this Agreement is consistent with the County's plans, policies and regulations, including the Pahrump Regional Planning District Master Plan, and that the execution of this Agreement on behalf of the County is in the public interest and is lawful in all respects.

D. On the ____ day of _____, 20__the BoCC adopted Ordinance No. _____ approving this Agreement and authorizing the execution hereof by duly constituted officers of the County. Said ordinance took effect on the ____ day of _____, 20__. The County agrees to record a certified copy of the ordinance as required by NRS Chapter 278.

E. The County desires to enter into this Agreement in conformance with the requirements of NRS Chapter 278, and as otherwise permitted by County Code, law and this Agreement, to ensure the land use impacts on public services in connection with the Proposed Development are

mitigated, as limited to and further defined within specific exhibits attached hereafter, to further the goals and values of the Pahrump Regional Planning District Area Plan and the Nye County Master Plan, to promote the health, safety and general welfare of the County and its inhabitants, to minimize uncertainty in planning for and securing orderly development of the Property and surrounding areas, to insure attainment of the maximum efficient utilization of resources within the County in a way that provides the highest economic benefit and least fiscal cost to its citizens, and to otherwise achieve the goals and purposes for which the laws governing development agreements were enacted. The conditions stated in this Agreement will reasonably mitigate the land use impacts that the development of the Property will have on the citizens of Nye County. The County finds and the Developer acknowledges that the conditions of this Agreement were not an inducement for any other land use decision relating to the Property or other action by the County.

The County finds and determines, and the Developer agrees, that the conditions established in this agreement are unique to the Proposed Development and were negotiated at the request of the Developer and at arms length between the County and the Developer, and that the conditions of this Agreement have no binding or precedential effect with regard to future development agreements in the County, and cannot be relied upon by the parties to this Agreement, or future applicants for rezoning, subdivision plat, or other land use approvals in other development agreements.

This Agreement is consistent with and will implement the goals and objectives of the County Code generally, Title 16 Chapter 32 specifically, the Pahrump Regional Planning District Area Plan and the Nye County Master Plan.

NOW THEREFORE, for and in consideration of the foregoing recitals and of the mutual covenants and promises set forth herein, the parties do hereby agree as follows:

SECTION 1. DEFINITIONS.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

"Affiliate" means an entity, partnership or corporation which Developer controls, or in which Developer has a controlling interest or which controls Developer.

"Agreement" has the meaning assigned to it in the first paragraph hereof, and at any given time includes all addenda and exhibits incorporated by reference and all amendments which hereafter are duly entered into in accordance with the terms of this Agreement.

"Applicable Rules" means and refers to:

1. The following provisions of the Nye County Code, as it existed on the Effective Date:

a) Nye County Code, Title 15, Chapters 15.12 (Flood Damage Prevention), 15.16 (Uniform Construction Codes) and 15.20 (Board of Building and Safety Appeals) as may be amended at any time during the term of this Agreement by building codes that apply uniformly throughout the County; and

b) Title16; and

2. This Agreement.

The term "Applicable Rules" does not include:

1. Any ordinances, laws, policies, regulations or procedures adopted by a governmental entity other than the County;

2. Any fee or monetary payment prescribed by County ordinance which is uniformly applied to development and construction similar to the Proposed Development and subject to the County's jurisdiction, including any increase of fees or monetary payments that are cost-based and uniformly applied to all development and construction within the County or a designated service area. This Definition does not preclude the County obtaining full cost recovery for any cost-based services or infrastructure that are based on variables such as inflation, construction and consumer price indexing to the extent permitted by Nevada or federal law; or

3. Any applicable state or federal law or regulation.

"BLM" means the Bureau of Land Management.

"BoCC" means the Board of County Commissioners.

"Code" means the Nye County Code, as amended by Nye County Ordinances and Resolutions adopted by the BoCC, and including all rules,

regulations, standards, criteria, manuals and other references adopted therein.

"County" means the County of Nye, State of Nevada, together with its successors and assigns.

"Developer" means ARES Nevada, LLC, as the Developer of the land constituting the Property and its successors and assigns, if any, as permitted under the terms of Section 3.8 of this Agreement.

"Discretionary Approval" means an approval that involves the exercise of significant and extensive factual or legal judgment by the County.

"Effective Date" means the effective date of an ordinance adopted by the BoCC that approves the execution of this Agreement.

"Engineering Standards" means those uniform standards adopted by the County for the design of roads, drainage, and other infrastructure, as may be amended from time to time. The Engineering Standards are currently set forth in the "Guidelines for Design and Review of Development Engineering Submissions," pursuant to Nye County Resolution 2005-02.

"Land Use Application" means any application seeking any approval authorized or required by the Agreement.

"Land Use Plan" means the drawings and specifications attached in Exhibit ~~{insert applicable # or letter}~~A – ARES Plan of Development and BLM Grant.

"Landscape and Buffer Plan" means the drawings and specifications attached in Exhibit ~~{insert applicable # or letter}~~B – BLM Restoration Plan and BLM Reclamation Plan.

"Master Plan" means the Nye County Comprehensive Plan dated June 7, 2011.

~~"Master Traffic Impact Analysis" means a comprehensive traffic study prepared in conformance with this Agreement, as amended or conditioned and finally approved by the County.~~

"NRS" means the Nevada Revised Statutes.

"Planning Department" means the Planning and Development Department of the County.

"Planning Director" means the Director of the County's Planning Department, or their designee(s).

"Property" means that certain real property as shown on Exhibit A.

"Proposed Development" means all development within the boundaries depicted in Exhibit A, as further described in Exhibits B, ~~D, and E~~.

"Public Works Director" or "Director of Public Works" means the Director of the County's Department of Public Works or their designee(s).

"Technical Drainage Study" means a study prepared in conformance with this agreement, as amended or conditioned and approved by the County.

~~"Town Advisory Board" means the (insert applicable name).Town Advisory Board.~~

"Uniform" means applicable throughout the County.

SECTION 2. GENERAL PURPOSE AND INTENT.

This Agreement is predicated upon the following facts and findings:

2.1 County Intent.

The County desires to enter into this Agreement in conformity with the requirements of NRS 278.0201 and as otherwise permitted by law and this Agreement to provide for public services, public uses and impact mitigation, to promote the health, safety and general welfare of the County and its inhabitants, to minimize uncertainty in planning for and securing orderly development of the Proposed Development and surrounding areas, to insure attainment of the maximum efficient utilization of resources within the County in a way that provides the highest economic benefit and least fiscal cost to its citizens, to reasonably mitigate the impacts that the development of the Property will have on the citizens and lands of Nye County, and otherwise achieve the goals and purposes for which the laws authorizing development agreements were enacted.

2.2 Developer Intent.

In accordance with the legislative intent evidenced by NRS Chapter 278, Developer wishes to obtain reasonable assurances that Developer may develop the Proposed Development in accordance with the conditions established in this Agreement. Developer acknowledges that there may

be certain insufficient public services, which includes facilities and infrastructure, existing or planned at this time, and in order to develop the Proposed Development, Developer is willing to enter into this Agreement in order to provide certain public services, facilities and infrastructure in the area of the Proposed Development. The Developer's decision to commence development of the Proposed Development is based on expectations of proceeding and the right to proceed with the Proposed Development in accordance with this Agreement. Developer further acknowledges that this Agreement was made a part of the record at the time of its approval by the BoCC and that the Developer agrees without protest to the requirements, limitations, or conditions imposed by this Agreement.

2.3 Incorporation of Recitals.

The foregoing recitals shall be deemed true and correct in all respects with respect to this Agreement and shall serve as the basis for the interpretation of this Agreement.

SECTION 3. GENERAL PROVISIONS.

3.1 Binding Agreement.

This Agreement shall be binding on and inure to the benefit of the parties hereto and their successors and assigns, including any future and subsequent purchasers.

3.2 Reliance on the Agreement.

The County and Developer agree that Developer will be permitted to complete the entire Proposed Development in accordance with this Agreement and that, during the term of this Agreement, no modified or subsequently enacted regulation, law, ordinance, or policy of the County shall be applied to the Proposed Development so as to prevent its completion as provided for herein.

3.3 Modification of Agreement.

County and Developer acknowledge and agree that this Agreement is specific to the Proposed Development and may not be amended, modified or changed with respect to the Proposed Development without the express written consent of Developer and County, except as otherwise explicitly provided in this Agreement and by state statute. In the event the County adopts new ordinances, rules or regulations, such new ordinances, rules or regulations will not apply to the Proposed Development for the duration of this Agreement except in those limited circumstances as provided herein.

3.4 *Application of Subsequently Enacted Rules.*

During the term of this Agreement, unless expressly provided for otherwise, by this Agreement, County hereby agrees that no subsequently enacted standard, policy, resolution or regulation regarding infrastructure improvements, subdivision, land use, zoning, growth management, timing and phasing of construction, or construction methods shall be imposed by the County upon the Proposed Development, except those in effect at the time of this Agreement.

However, the County and Developer agree that the County may hereafter, during the term of this Agreement, apply to the Proposed Development only those rules, regulations, ordinances, laws, general or specific plans, and official policies promulgated or enacted after the Effective Date that:

(a) are not in conflict with the Agreement, or

(b) are permitted by subsection 3.5, below.

3.5 *Imposition of Existing and Subsequent Standards.*

Notwithstanding the terms of Section 3.3 and 3.4, above:

(a) The Proposed Development is subject to all of the following regulations, fees, or other requirements in effect now or in the future:

~~(3) uniform cost-based fees subject to any credits or offsets required by the fee ordinances or Nevada law; and~~

~~(4) subdivision regulations applied through Title 16, and~~

(31) except as provided herein, all regulations governing construction standards and specifications including, without limitation, the County's building code, plumbing code, mechanical code, electrical code, fire code and grading code, and all other uniform construction codes then applicable in the County, including, but not limited to Chapters 15.12 (Flood Damage Prevention); 15.16 (Uniform Construction Codes); and 15.20 (Board of Building and Safety Appeals); and

(42) uniform processing fees and charges of every kind and nature imposed by the County to cover the estimated actual costs to the County of processing applications

for Permits or for monitoring compliance with any Permits granted or issued; and

(~~5~~3) mutually agreed upon uniform estimated costs for completing required public improvements that are used to calculate costs for maintenance or warranty guarantees, bonds, or other guarantees or assurances to complete the public improvements that are required for the Proposed Development; and

(~~6~~4) except as provided herein, uniform procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure, provided such procedures are uniformly applied throughout the County to all substantially similar types of development projects and properties; and

(~~7~~5) the Engineering Standards; and

(~~8~~6) uniform laws and regulations that are reasonably necessary to protect the public health, safety or welfare; and

(~~9~~7) new or changed County ordinances, regulations, plans or policies specifically mandated and required by changes in state or federal laws or regulations. In such event, the provisions of Section 3.6 and 3.7 of this Agreement are applicable.

(b) Notwithstanding the foregoing, should the County adopt or amend new standards, ordinances, rules, regulations or policies that exceed the limitations of Section 3.5(a), County shall provide written notice to Developer within thirty (30) days of adoption or amendment of the same to allow Developer sufficient time to conduct due diligence. If the County provides the above stated notice, Developer may reject such new or amended matters by giving written notice to County. If Developer fails to give such written notice within forty-five (45) days of receipt of notice by the County, such ordinances, rules, regulations or policies are deemed accepted by the Developer. County and Developer shall execute a supplement to this Agreement evidencing Developer's acceptance of any new or amended

ordinance, rule, regulation or policy.

(c) The Developer hereby acknowledges that the rules, regulations, ordinance, laws, general or specific plans, and official policies in effect upon or enacted after the Effective Date, which may be applied to the Proposed Development under this Agreement, do not frustrate or otherwise prevent the Proposed Development.

3.6 *Conflicting Federal or State Rules.*

In the event that any conflicting federal or state laws or regulations, enacted after the Effective Date, prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the County, this Agreement shall remain in full force and effect as to those provisions not affected.

3.7 *Cooperation in Performance.*

The parties hereto agree to cooperate with each other in good faith and to take such additional actions, including the execution and delivery of documents and instruments, as may be necessary or appropriate, to fully effectuate and carry out the terms, provisions, purposes and intent of this Agreement. Without limiting the foregoing, County agrees that it will not object to any applicable federal and state approvals required for the Proposed Development without first notifying Developer of its objection. The Developer shall not have a right to obtain any Discretionary Approval from the County, in a timely manner, however it shall not be unreasonably withheld from the Developer.

3.8 *Assignment.*

The Developer shall not sell, transfer, ground lease or assign the Property or this Agreement in whole or in part to any person (other than an Affiliate of the Developer or in accordance with Section 3.8(f)), partnership, joint venture, firm, company or corporation (any of the foregoing, an "Assignee") without the written consent of the County, which shall not be unreasonably withheld.

(a) The Assignee shall assume in writing all obligations of Developer hereunder, and provide substitute security in a form and an amount acceptable to the County for any security previously provided by Developer in compliance with the Agreement, if any.

(b) The Assignee shall assume all duties and obligations of Developer.

(c) Documentation of the financial stability of any Assignee shall

be provided to County prior to the assignment. The County will approve, approve with conditions, or disapprove such transfer, in a timely manner, in order to ensure that the Assignee has the same ability to fulfill the obligations of this Agreement as the Developer.

(d) Except as expressly provided herein, no assignment or transfer of any portion of the Proposed Development shall relieve Developer of its obligations hereunder, and such assignment or transfer shall be subject to all of the terms and conditions of this Agreement. The County may, in its reasonable discretion, release the Developer of one or more of such obligations in a writing agreed to and executed by the County.

(e) This subsection shall have no effect upon the validity of obligations recorded as covenants, conditions, restrictions or liens against parcels of real property.

(f) Subject to subsections (a) through (e) above, Developer has full discretion and authority to transfer, assign or encumber the Proposed Development or portions thereof to financing parties, in connection with financing transactions that are related to the Proposed Development, without the permission of or notice to County. All such financing transactions shall be subject to the terms and conditions of this Agreement.

3.9 *Amendment of Agreement.*

Except as otherwise permitted by NRS Chapter 278 and this Agreement, this Agreement may be amended from time to time, upon the mutual written consent of the parties hereto. All proposed amendments shall be considered solely by the BoCC for adoption or rejection, provided however that the BoCC reserves the right to require the Developer to consult with the Town Advisory Board if a proposed amendment would, in the County's opinion, affect that entity.

3.10 *Indemnity; Hold Harmless.*

Except as expressly provided in this Agreement, Developer shall hold County, its officers, employees, and representatives harmless from liability for damage or claims for damage for personal injury, including death and claims for property damage which may arise from the direct operations of Developer or those of its employees, which relate to the development of the Proposed Development. Developer agrees to and shall defend County and its officers, employees, and representatives from actions for

damages caused by reason of Developer's activities in connection with the development of the Proposed Development, provided that County gives prompt notice to Developer of such actions and claims and cooperates with Developer in the resolution of such actions and claims, including any settlement thereof. Developer agrees to provide and pay all costs, attorneys fees, and damages related to a defense for County in any legal action filed in a court of competent jurisdiction by a third party alleging any such claims or challenging the validity of this Agreement. The provisions of this Section shall not apply to the extent such damage, liability, or claim is proximately caused by the intentional or negligent act of County, its officers, agents, employees, or representatives.

3.11 Binding Effect of Agreement.

The burdens of this Agreement bind, and the benefits of this Agreement inure to, the parties' respective successors in interest and the Property which is the subject of this Agreement.

3.12 Relationship of Parties.

It is understood that the contractual relationship between County and Developer is such that Developer is not an agent of County for any purpose and County is not an agent of Developer for any purpose.

3.13 Entire Agreement.

This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all of any part of the subject matter hereof.

3.14 Waivers.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of County and/or Developer, as the case may be.

3.15 Recording; Amendments.

Promptly after execution hereof, an executed original of this Agreement shall be recorded in the Official Records of Nye County, Nevada. Except as otherwise provided by NRS Chapter 278, all amendments hereto must be in writing signed by the appropriate officers of County and Developer in a form suitable for recordation in the Official Records of Nye County, Nevada. Upon completion of the performance of this Agreement, or its earlier revocation or termination, a statement evidencing said completion, revocation or termination shall be signed by the appropriate officers of the County and Developer and shall be recorded in the Official Records of Nye County, Nevada.

The Clerk of the Nye County Commission must record any agreement with a federal, state or local agency that is executed in full or partial fulfillment of any requirement of this Agreement, within a reasonable time after approval of the agreement, with the County Recorder. The Developer shall provide a true, signed original agreement t the Clerk of the Nye County Commission for this purpose.

3.16 Headings; Exhibits; Cross References.

The recitals, headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated herein by the references contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits to this Agreement, unless otherwise specified.

SECTION 4. PLANNING, DEVELOPMENT AND MAINTENANCE OF THE PROPOSED DEVELOPMENT.

4.1Permitted Uses, Height and Size of Structures.

Pursuant to NRS Chapter 278, this Agreement must set forth the maximum height and size of structures to be constructed in the Proposed Development, the density of uses and the permitted uses of the land.

(a) The permitted structures and uses of the Property shall be those depicted in Exhibit A ~~and described in Exhibit D~~ hereto.

(b) Subject to modifications mutually agreeable to County and Developer, the Proposed Development shall comply with the ~~Land Use Plan a~~Plan of Development attached in Exhibit ~~B~~ A hereto. Notwithstanding the above, where feasible, all

administrative and service buildings constructed on the site shall utilize the BLM Standard Environmental Colors chart.

(c) The parties agree that the Proposed Development will contain design elements to mitigate the visual impact of the project. Accordingly, subject to modifications mutually agreeable to County and Developer, subject to BLM requirements, the Proposed Development shall conform to the Landscape and Buffer Plan (BLM Restoration Plan and BLM Reclamation Plan) attached in Exhibit ~~C~~ B hereto.

(d) To the extent feasible, exterior lighting shall be directed downward and designed to minimize its impact on the dark-sky visual environment. Prior to commencement of construction, Developer shall provide the Planning Director a lighting plan for review.

(e) The Proposed Development must comply with any other requirements, limitations, or conditions imposed by this Agreement.

4.2 Effect of Amendments.

County acknowledges that Developer is anticipating that the entire Property will be developed in accordance with this Agreement and with any future amendments thereto, provided however, that the Proposed Development shall be developed in accordance with the Agreement as set forth herein.

4.3 Modifications to the Proposed Development.

(a) A nonmaterial modification is a modification made by the Developer that:

(1) meets or exceeds the requirements of this Agreement by advancing or augmenting the objective of the applicable requirement;

(2) does not increase the amount of land area covered by this Agreement; and

~~(5)~~(3) does not result in an intensification of use or of off-site impacts;

~~(6)~~(4) does not alter the setbacks, allowed heights, and other bulk standards of the Proposed Development

allowed by this Agreement; and

(5) does not involve a substantial change to the ~~Land Use plan~~Plan of Development.

(b) A nonmaterial modification permits the rearrangement of uses or structures depicted in the Land Use Plan if such change is within the scope of the applicable county, state and federal approvals of the Proposed Development.

(c) A nonmaterial modification shall be reviewed and acted on administratively by the Planning Directore within thirty (30) days. If developer is aggrieved by the Director's decisions, Development may appeal that decision in accordance with §16.36.080.E of the County Code.

(d) A material modification includes any modification that does not qualify as a nonmaterial modification, and shall be processed as an amendment to this Agreement.

4.4 Additional Property.

Developer may not include property outside the boundaries of the Proposed Development within the terms of this Agreement without the prior approval of the BoCC. If Developer requests additional property to be included, the BoCC must reconsider additional impacts of the proposed additional development in a timely manner, and must ensure that all impacts are appropriately mitigated through Developer contributions, impact fees, and any other allowable revenue source. Furthermore, the BoCC reserves the right to adjust the terms of this Agreement as a condition for allowing the addition of property.

4.5 Processing of Applications.

(a) The County acknowledges the Developer's desire to have timely reviews of studies, maps, plans, applications for permits, Land Use Applications and other authorizations for development of and within the Proposed Development submitted by Developer (collectively, the "Applications"). The County Schedule (defined below) does not apply to the public hearing portion of any Application for which a public hearing is required under this Agreement.

(b) The County deems the schedule ("County Schedule") set forth in the table below to be a reasonable estimate of time for the County to process Applications. Developer

acknowledges that County's ability to process reviews in accordance with the County Schedule is based on Developer's quality of submission and timely and accurately addressing the written comments provided by the County with respect to such Applications. Should County reject any submission due to its lack of clarity and completeness, the submission will be returned to the Developer within the timeframes set forth in the County Schedule and the review time shall be restarted upon resubmission of complete submittals. The County Schedule is expressed in Business Days ("bd") from the date of a complete submittal. Failure of County to complete its review within the timeframes in the County Schedule shall not require the County to approve any of the Applications.

Category	1st Review	2nd Review	3rd and Subsequent Reviews*	Mylar/Map Signatures
1. Hydrology Studies	15 bd	10 bd	5 bd	N/A
~~2. Traffic Studies~~	~~15 bd~~	~~10 bd~~	~~5 bd~~	~~N/A~~
3. All other Land Use Applications	15 bd	10 bd	5 bd	5 bd

*If 3rd or subsequent review is required

(c) Developer shall have the option to request that the County utilize a consulting firm or outside consultant ("Consultant") to process the Application at Developer's expense pursuant to the provisions of subsection (d) below. County may also, in its own discretion, utilize a Consultant.

(d) Whenever the Parties utilize a Consultant, the Consultant shall enter into a standard County professional services agreement governing the terms of their relationship ("Consultant Agreement"). The Consultant Agreement shall contain the following provisions:

(1) Developer shall pay cost of the Consultant; and

(2) The Developer shall have the right to evaluate the performance of the Consultant.

(e) The Parties' decision to use a Consultant does not extend the time frames set forth in the county Schedule without the mutual written agreement of the parties.

SECTION 5 REVIEW AND DEFAULT

5.1 Frequency of Reviews; Biennial Review.

Pursuant to NRS Chapter 278.0205.1 and Section 16.32.110 of the Nye County Code, the BoCC may, pursuant to written notice to Developer, request review the development once every twenty-four (24) months during the term of this Agreement. In the event the BoCC provides such notice, Developer shall have sixty (60) days to provide a written report to BoCC containing information regarding the progress of development of the Proposed Development. In the event Developer fails to submit such a report, Developer shall be in default of this Agreement. If at the time of review an issue not previously identified in writing is required to be addressed, the review at the request of either party shall be continued to afford reasonable time for response.

5.2 Opportunity to be Heard.

The report required by this Section shall be considered solely by the BoCC in accordance with the rules and procedures of Section 16.32 of the Nye County Code. County and Developer shall each be permitted an opportunity to be heard orally and in writing before the BoCC regarding performance of the parties under this Agreement.

5.3 General Provisions-Default.

In the event of any noncompliance with any provision of this Agreement, the party alleging such noncompliance shall deliver to the other in writing not less than thirty (30) days after the event of noncompliance a notice of default. The time of notice shall be measured from the date of certified mailing. The notice of default shall specify the nature of the alleged default and the manner and period of time in which the default may be satisfactorily corrected, during which period the party alleged to be in default shall not be considered in default for the purposes of termination or institution of legal proceedings. Such cure period shall not exceed ninety (90) days. If the default is corrected within the cure period, then no default shall exist and the noticing party shall take no further action. If the default is not corrected, within the cure period, the party charging noncompliance may elect any one or more of the following courses.

(a) Option to Terminate. After proper notice and the expiration of the above-referenced period for correcting the alleged default, the party alleging the default may give (unless the default has been cured or waived prior to such date) notice of intent to amend or terminate this Agreement as authorized by NRS Chapter 278. Following any such notice of intent to amend or terminate, the matter shall be scheduled and noticed as required by law for consideration and review

solely by the BoCC.

(b) Amendment or Termination by County. Following consideration of the evidence presented before the BoCC and a finding that a default has occurred by Developer and remains uncorrected, County may amend (pursuant to Section 3.9) or terminate this Agreement. In the event of default by Developer, County shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of Developer's obligations hereunder under the procedures set forth in this Section and Section 5.5. County also reserves the right to terminate this Agreement and pursue collection and/or performance of any of Developer's obligations that were required by this Agreement up to the point of termination. Termination shall not in any manner rescind, modify, or terminate any vested right in favor of Developer, as determined under the Agreement and Nevada Law, existing or received as of the date of the termination and to the extent that Developer has performed its obligations under this Agreement. Developer shall have sixty (60) days after receipt of written notice of termination to institute legal action pursuant to Section 5.5 hereof.

(c) Termination by Developer. In the event County substantially defaults under this Agreement, Developer shall have the right to terminate this Agreement after the hearing set forth in this Section. Developer shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of County's obligations hereunder under the procedures set forth in this Section and Section 5.5.

(d) Waiver. Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies in respect of any default shall not operate as a waiver of any default or any such rights or remedies, or deprive such party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any of its rights or remedies.

5.4 Unavoidable Delay, Extension of Time.

Neither party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires,

casualties, acts of God, restrictions imposed or mandated by governmental entities, failure of governmental agencies (other than County) to perform acts or deeds necessary to the performance of this Agreement, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, litigation, or similar matters beyond the control of the parties ("Force Majeure"). In addition, nonperformance of a party hereunder shall be excused as a result of the failure of the other party to perform under this Agreement which failure of the other party actually causes such nonperformance. If written notice of any such delay is given to County within sixty (60) days after the commencement of a Force Majeure, an automatic extension of time, unless otherwise objected to by County within thirty (30) days of such written notice, shall be granted coextensive with the period of the Force Majeure, or longer as may be required by circumstances or as may be subsequently agreed to between County and Developer.

5.5 Legal Action.

County and Developer agree that they would not have entered into this Agreement if either were to be liable for damages under or with respect to this Agreement that would be greater than without this Agreement. Accordingly, County and Developer may pursue any course of action or equity available for breach, except that neither party shall be liable to the other or to any other person for any monetary damages for a breach of this Agreement that are greater than such damages or liability would have been without this Agreement. Prior to the institution of any legal action, the party seeking legal action must give the thirty (30) day notice of default as set forth in Section 5.3. Following such notice, and the failure of the notified party to cure such non-compliance within the time period set forth in Section 5.3 , a public hearing must be held by the BoCC where the allegations will be considered and a decision regarding their merits will be reached. Any judicial review of this decision or any legal action taken pursuant to this Agreement will be heard by the court, and the decision of the BoCC shall be reviewed in conformance with Nevada law. Judicial review of the decision of the BoCC shall be limited to the evidence presented to the BoCC at the public hearing. Jurisdiction for judicial review or any judicial action under this Agreement shall reside exclusively with the Fifth Judicial District Court, State of Nevada.

5.6 Notices.

All notices required by this Section shall be sent in accordance with Section 9.

5.7 Applicable Laws; Attorneys' Fees.

This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. Each party shall bear its own attorneys' fees and court costs in connection with any legal proceeding hereunder.

SECTION 6. INFRASTRUCTURE OBLIGATIONS AND LAND USE MITIGATION MEASURES

6.1Generally

(a) Developer shall provide the infrastructure and land use mitigation measures described in this Agreement.

(b) All bonds, including performance bonds, letters of credit and bank guarantees to be provided by Developer that are required to provide financial assurance for the provision or maintenance of infrastructure pursuant to this Section must be issued by an entity that has at least an AAA rating with A.M. Best, AAA by Standard and Poors or Baa3 by Moody's Investor Services, obtained by Developer to cover One Hundred and Fifteen percent (115%) of the estimated cost of infrastructure identified by any Master Studies or the County Engineer or his or her designee. For purposes of this subsection, "AAA rating" means a rating of "AAA" or the highest rating of financial stability that is available under the A.M. Best rating system.

(c) Developer shall make a good faith effort to purchase a reasonable amount of goods related to operation of the facility from Nye County vendors; provided such goods are comparable in price, quality and availability to goods otherwise available for purchase by Developer and such goods are not subject to an exclusive purchasing contract. ~~Developer shall conduct annual vendor information sessions in Nye County to educate vendors regarding Developer's procurement process.~~

To the extent allowed under applicable laws, Developer shall accept delivery of all construction and related materials within the boundaries of the Proposed Development. Notwithstanding the above, Developer shall pay a use tax in accordance with NAC 372.055 for any construction and related materials for which Developer cannot through reasonable diligence accept delivery at the Proposed Development, or such delivery would result in an unreasonable delay to the construction of the Facility. Provided, however, nothing in this paragraph shall require payment of a use tax to the extent Developer has been granted a partial abatement pursuant to NRS 701A.300 to 701A.390 (AB 522-2009-Sections 28 and 106.5). Developer shall provide County with copies of all sales tax filings it makes with the State of Nevada.

County shall have the right to audit such filings to ensure compliance with the provisions of this Agreement.

(d) County acknowledges that certain rights-of-way and easements outside the boundaries of the Proposed Development may be necessary for development and construction of the improvements described in this Agreement. The County shall cooperate (including, where applicable, being the applicant for state and federal approvals) with Developer (at ~~Developer's cost and expense~~agreed cost sharing between County and Developer) in obtaining such necessary rights-of-way and easements, so as not to delay development and construction of such improvements. In the event the parties are unable to obtain the necessary right-of-way or easement in the time or manner consistent with the Developer's obligation to complete the improvement, County and Developer may agree to adjust the timeline. ~~In the alternative, and when supported in the studies contemplated by this Agreement, the parties may agree, in writing, that Developer may proceed with the development and use of an alternative right-of-way or easement approved by County.~~

6.2 *Emergency Services*

(a) Facility Emergency Plan. Prior to accepting hazardous materials within the boundaries of the Proposed Development, Developer, working with the County shall prepare and provide to the County a facility emergency plan which contains:

1) a description of the training, equipment, facilities and procedures that will be used to respond to emergencies occurring within the boundaries of the Proposed Development; and

2) certification that such equipment, facilities and procedures have been approved by all applicable state and federal authorities.

(b) Response Protocols. County and Developer shall jointly develop emergency response protocols and shall jointly establish the respective responsibilities of the Parties.

(c) Sheriff. ~~Within 60 days of obtaining financing for construction of t~~The ASPP, REM Project ~~and a~~Annually ~~thereafter~~ for the term of the Agreement, Developer agrees to pay County $(insert applicable dollar amount) for County's use in providing law enforcement

services. County agrees to use such funds solely for the purpose of providing law enforcement services in the Town of Pahrump.

(d) Fire Protection Training. Developer shall annually, for as long as the ~~ASPP~~ REM Project is operating, provide emergency and fire protection training for up to ~~four~~ two (42) individuals identified by County. County shall give priority to individuals who serve in the ~~(insert applicable town name)~~Pahrump ~~Volunteer Fire Department~~Valley Fire and Rescue. Such training shall be the equivalent of training provided to Developer's on-site personnel.

(e) Water Supply. Developer shall provide County, in a location selected by Developer, for as long as the Proposed Development is operating, access to a water supply for County's use in responding to fires ~~within the Town of Pahrump~~at the project site~~, and to the County Road Department for purposes of dust suppression~~. County agrees to utilize the water supply only for such purposes.

6.3 *Medical Services*

~~Within 60 days of obtaining financing for the construction, and a~~Annually ~~thereafter~~ for the term of the Agreement, Developer agrees to pay County $(insert applicable dollar amount) for County's use in providing staff and equipment for County's medical clinic for the benefit of community medical services. County agrees to use such funds solely for such purpose.

6.4 *Water.*

~~The parties acknowledge that the Developer will have adequate water rights for the Property and the County has no role in the allocation of water. Developer shall advise County of all applications it files for state or federal approval of the appropriation and use of water for the Proposed Development.~~ No water rights are associated with the REM Project. Water will be purchased and stored on site.

6.5 *Sanitary ~~Sewer~~System.*

~~(a)~~ Developer shall provide sanitary ~~sewer~~ system facilities as needed ~~to mitigate the impacts of the Proposed Development~~for site personnel. County has no obligations, and is not obligated to pay any financial costs, associated with obtaining the construction or maintenance of sanitary ~~sewer~~ facilities or the acquisition of rights-of-way, permits, easements, or other interests not owned by Developer necessary to construct the facilities required in this Section.

6.6 *Transportation.*

~~(a) Traffic Studies. Prior to commencement of construction, Developer shall submit a Master Traffic Impact Analysis for review and approval by County. The Analysis shall address the impacts, if any, of the transportation of employees to and from the Proposed Development. Developer shall provide the improvements required in the approved Master Traffic Impact Analysis in order to mitigate the land use impacts of the Proposed Development.~~

(~~b~~a) ~~[~~Road Mitigations~~]~~. Developer will ~~improve~~construct the ~~[insert applicable road names including any "Access Road"]~~site access roads, which does not currently exist, in accordance with the ~~approved Master Traffic Impact Analysis~~mutually agreed upon decision between the County and Developer, and the BLM approved Plan of Development. County agrees that, until such time as the Access Road is completed and available for use, Developer can utilize other access routes depicted on Exhibit ~~[insert applicable Exhibit #]~~CE. Upon completion of construction of the Proposed Development, Developer shall restore the Access Road to the standards prescribed ~~in the Master Traffic Impact Analysis~~by the County.

(c) Reimbursement for Cost to Construct the Access Road. County acknowledges that ~~the~~ Access Roads may provide benefit to property outside the Proposed Development. Therefore, County agrees to require, as allowed by law, as a condition to development of any such benefitting properties, that the proponent of the development reimburse a prorata share of Developer's cost to improve and restore the Access Road. If reimbursements are made, County either will collect them from other benefitting properties and reimburse Developer within 90 days of reimbursement collection in an amount equal to such reimbursements or facilitate direct payment to Developer, as allowed by law. For purposes of this subsection, the Access Road shall be deemed to provide a benefit to property if based on applicable law, either: 1) the property takes access to or from the Access Road; or 2) the proposed development will create significant traffic that will use the Access Road.

(~~c~~d) Developer shall comply with the applicable provisions of NRS 361.157 and 361.159.

6.7 *Storm Drainage*

(a) Technical Drainage Study. Prior to commencement of construction, Developer will submit to the County a Technical Drainage Study for the Proposed Development for review and approval by the County. Developer shall provide the improvements required in the approved Technical Drainage Study in order to mitigate land use impacts of the Proposed Development.

(b) Maintenance and repair of all proposed easement infrastructure for drainage/utility use shall be the sole responsibility of the Developer. The Developer shall provide a maintenance bond or letter of credit to the County to guarantee maintenance and repair of all drainage and storm water management facilities and utility easements while this Agreement is effective or while Developer has the right to use the Property, whichever is longest. The amount of the security shall be a minimum of 115% of estimated costs.

6.8 *Assurance for Completion and Maintenance of Improvements.*

Developer shall provide performance bonds or irrevocable commercial letters of credit for all roadway and storm drainage improvements that are identified in this Agreement and/or through an approved Master Traffic Impact Analysis and the approved Technical Drainage Study. Such bond amounts or letters of credit shall reflect 115% of the total estimated cost for the work to be done by Developer under this Agreement as determined or approved by the Director of Public Works, and shall be adjusted no less frequently than every two years, for inflation and escalation in construction cost using a published and generally accepted cost index.

6.9 *Limitation on Developer's Obligations*

Except for the payment of applicable sales, possessory use and property taxes (less allowable reductions and abatements), Developer shall have no obligation to participate in, pay, contribute or otherwise provide any further exaction, including assessments or fees, or to provide facilities or improvements beyond those specifically identified by this Agreement.

SECTION 7. EMPLOYMENT

The parties agree that the provision of employment opportunities for local and County residents will assist in mitigating the impacts of the Proposed

Development, and acknowledge that the Developer has an incentive to hire local or County residents. Accordingly, Developer agrees that, during operations, it will use commercially reasonable efforts to ensure that a significant portion of the personnel employed and assigned to the project will be full time employees with benefits. ~~Developer further agrees that it will conduct public meetings in the Town of Pahrump to provide information about employment opportunities relating to the Proposed Development: 1) at least twice prior to commencement of construction; and 2) at least twice prior to commencement of operations. Developer further agrees to assist the Great Basin Community College in developing a curriculum to train potential employees.~~

Subject to all applicable legal requirements, conditions of financing, and other requirements applicable to the Proposed Development, ~~Davis-Bacon a~~and related Acts, and any other applicable requirements, Developer will make commercially reasonable efforts to hire applicants who reside in Nye County for the construction and operations of the ~~ASPP~~ REM Project and to request its contractors and subcontractors for the construction and operations of the ~~ASPP~~ REM Project to do the same, provided that such applicants are in Developer's sole discretion qualified for such employment. Developer will provide County prior notice of its intent to enter into any labor agreement for the construction or operation of the Proposed Development.

SECTION 8. CONSTRUCTION STANDARDS AND INSPECTIONS

8.1 Construction Standards.

(a) County and Developer acknowledge that construction of the Proposed Deveopment will be governed by specialized state and federal codes and regulations (the "Construction Standards"). It is the parties' intent to establish a procedure for certifying compliance with the Construction Standards that minimizes unnecessary delay and cost to both County and Developer.

(b) Prior to commencing construction, Developer shall provide County:

1) a description of the applicable Construction Standards;

2) a list of the state, federal and other authorities responsible for ensuring compliance with the Construction Standards;

3) the qualifications needed for a person to inspect construction within the Proposed Development and to certify compliance with the Construction Standards; and

4) a copy of all construction plans and drawings prepared for use in certifying compliance with the Construction Standards.

8.2 Inspection and Certification.

Developer shall have construction within the Proposed Development inspected by an independent consultant with the qualifications set forth in section 8.1 (b) (3) above. Upon completion of each inspection, Developer shall provide County a certification from the consultant that the construction complies with the Construction Standards.

8.3 Conflict with Agreement.

To the extent that the Construction Standards conflict with the Applicable Rules, the Construction Standards shall control. The provisions of Chapters 15.16 and 15.20 of the Code shall govern only if: i) the proposed construction activity is specifically governed by those chapters; and ii) the activity is not governed by the Construction Standards.

SECTION 9. NOTICES/RECORDATION.

9.1 Notice.

All notices, demands and correspondence required or provided for under this Agreement shall be in writing and delivered in person or mailed by express mail or certified mail postage prepaid, return receipt requested. Notices shall be addressed as follows:

To County: County of Nye,
A political subdivision
_____
Pahrump, Nevada _____
Attention: Planning Director

To Developer:

With Copy to: BLM

Either party may change its address and/or contact persons by giving notice in writing to the other and thereafter notices, demands and

other correspondence shall be addressed and transmitted to the new address. Notices given in the manner described shall be deemed delivered on the day of personal delivery or the date delivery of mail is first attempted.

9.2 Recording.

Promptly after execution hereof, County shall record an executed original of this Agreement in the Official Records of Nye County, Nevada. Upon completion of the performance of this Agreement, or its earlier expiration, revocation or termination, a statement evidencing said completion, revocation or termination shall be signed by the appropriate officers of the County and Developer and shall be recorded in the Official Records of Nye County, Nevada.

SECTION 10. SEVERABILITY OF TERMS.

If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect, provided that the invalidity, illegality or unenforceability of such terms does not materially impair the parties' ability to consummate the transactions contemplated hereby. If any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall, if possible, amend this Agreement so as to affect the original intention of the parties.

SECTION 11. DURATION OF AGREEMENT.

~~11.1~~ Except as provided herein, this Agreement shall expire 30 years after the Effective Date.

~~11.2~~ Developer may terminate this Agreement any time prior to commencement of construction by delivering written notice to County that Developer was unable to obtain any required state or federal approval of the Proposed Development.

~~11.3~~ The BoCC may, in its reasonable discretion, extend the term of this Agreement upon the following conditions:

(a) Developer provides written notice of its desire for an extension to County prior to the expiration of the original term of this Agreement; and

(b) Developer is not in default of this Agreement.

~~11.4~~ When approved by the BoCC, the extension shall be granted in writing after:

(a) notice of intention to amend the Agreement has been published as provided in NRS 278.0205; and

(b) the BoCC has approved an ordinance approving the extension that includes:

(1) a statement of the justification for the extension; and

(2) the duration of the extension; and

(3) any further conditions agreed to by the BoCC and the applicant, which conditions may be incorporated by reference in the ordinance.

~~11.5~~ Expiration of this Agreement, or any extension thereof, shall not in any manner affect Developer's right to operate the Proposed Development, and shall not rescind, modify or terminate any vested right in favor of Developer, as determined by Nevada law, to the extent that Developer has performed its obligations under this Agreement.

Permanent cessation of operations and decommissioning of the Proposed Development shall be done in compliance with all applicable state and federal permits and regulations.

In Witness Whereof, this Agreement has been executed by the parties on the day and year first above written.

COUNTY:	DEVELOPER:
Board of County Commissioners	
By: _____	By: _____
	Name: _____
Approved as to Form:	Title: _____
_____ _____	

SUBSCRIBED AND SWORN TO before me on this _____ day of _____, 2018.

Attest:

County Clerk

By: _____

_____
Notary Public in and for said County and State

EXHIBIT A

PLAN OF DEVELOPMENT
&
BLM LAND GRANT

PLAN OF DEVELOPMENT

FOR THE

ADVANCED RAIL ENERGY STORAGE REGULATION ENERGY MANAGEMENT SYSTEM PROJECT

May 18, 2018

EXHIBIT "A"

Submitted to:

Nye County, Nevada

Submitted by:

ARES Nevada, LLC

Updated May 2018

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List of Figures

LIST OF ACRONYMS

ACCC	Aluminum Conductor Composite Core
ATV	All Terrain Vehicle
AREMA	American Railway Engineering & Maintenance-of-Way Association
ARES	Advanced Rail Energy Storage
BLM	Bureau of Land Management
CAISO	California Independent System Operator
ECN	Energy Communications Network
FWS	U. S. Fish and Wildlife Service
IEEE	Institute of Electrical and Electronics Engineers
IHHA	International Heavy Haul Association
kV	Kilovolt(s)
MOW	Maintenance-of-Way
MW	Megawatt(s)
MWH	Megawatt Hour
NDOT	Nevada Department of Transportation
NDOW	Nevada Department of Wildlife
NEPA	National Environmental Policy Act
OPGW	Optical Ground Wire
POD	Plan of Development
REM	Regulation Energy Management
ROW	Right-of-Way
RUS	Rural Utility Services
VEA	Valley Electric Association
WECC	Western Electricity Coordinating Council

1.0 INTRODUCTION

ARES Nevada, LLC (ARES) is submitting this updated Plan of Development (POD) to the County of Nye, Nevada for the construction, operation, and maintenance of a proposed Advanced Rail Energy Storage Regulation Energy Management (REM) project. This system is a gravity-based energy storage system utilizing electric shuttle trains operating on a single, steep-grade railroad track to store electric energy in the form of potential energy. The goal is to assist in electricity supply management on a regional electrical grid. The system accomplishes this by using electricity from the grid when electricity is abundant to power the locomotives uphill, then returning electricity to the grid when electricity is needed as the locomotives descend, their electric motors operating as generators. This system is designed to operate at greater than 80% efficiency for more than 30 years.

ARES proposes to locate this project in the Carpenter Canyon area, east of Pahrump, in Nye and Clark Counties, Nevada (see Figure 1). This project will access the regional electrical grid via a transmission interconnection line to an existing Gridliance 230 kilovolt (kV) transmission line. Figure 2 illustrates the alignment of the proposed project relative to Pahrump and Nevada State Highway 160. ARES will construct and operate the project in conformity with the approved POD that will be included as part of both ROW grants.

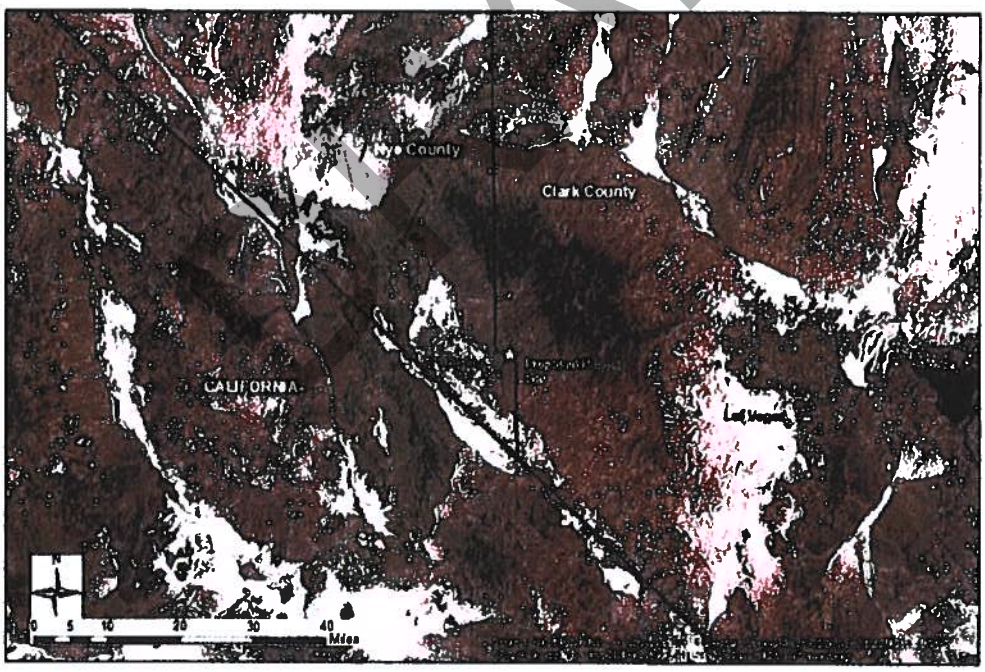

Figure 1. Proposed location of the ARES REM facility.

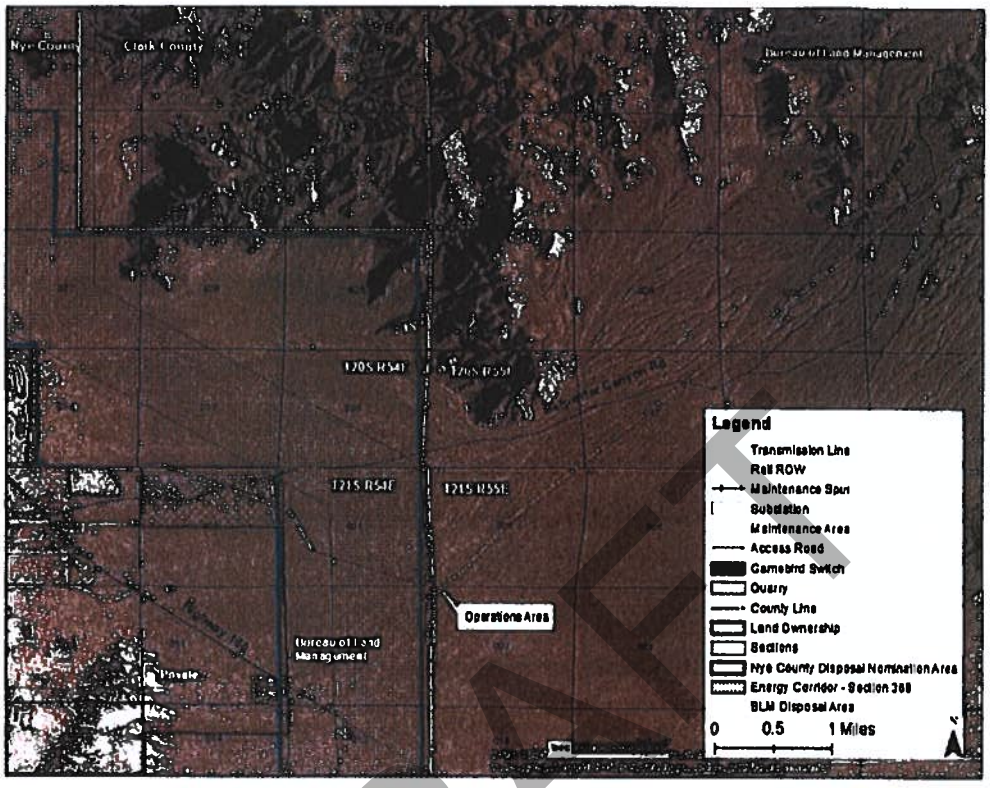

Figure 2. Proposed location of the ARES REM project ROW.

2.0 PROPOSED ACTION

The proposed action is to construct a 50 Megawatt (MW) capacity, gravity-based energy storage system on approximately 100 acres of BLM managed land east of Nevada State Highway 160, east of Pahrump, Nevada. The construction and operation of the project will provide 50 MW hours (MWH) of fast response energy storage, necessary to assist in the balancing of electrical daily and seasonal supply and demand, as well as assist in balancing the highly and unpredictably variable renewable energy expected to be connected to the transmission grid, increasing renewable energy penetration while maintaining grid reliability. The system operates on a closed low-friction automated steel rail line to transport weighted shuttle trains (electric locomotives and rail cars) between different elevations.

The upslope (northeast) end of ROW N-092514 (linear portions) will begin in Township 20 South, Range 55 East, Section 22. This ROW will run southwest (down-slope) and intersect an operations and maintenance area, ROW N- 094686, which would include a new substation (ARES Substation). A new 230kV transmission interconnection line, also part of ROW grant request N092514, will run northwest from the substation to connect with an existing Gridliance (N-057100) 230kV transmission line in Township 21 South, Range 54 East, Section 01.

2.1 Purpose and Need

The purpose of the proposed action is to assist in electricity supply management and transmission system stability and reliability on the regional electrical transmission grid. The system accomplishes this by using electricity from the transmission grid when electricity is abundant (e.g. low energy usage times) to power locomotives uphill. Electricity is returned to the transmission grid when needed (e.g. high usage times) as the locomotives descend, the electric braking motors operating as generators.

The operation of the project will provide 50 MWH of fast-response energy storage necessary to assist in the balancing of electrical supply and demand to counter highly variable energy usage and unpredictably variable renewable energy supplies, while maintaining grid reliability.

The system, as proposed, would have an energy return efficiency of greater than 80% and could increase the amount of renewable energy resources added to the electric grid without compromising grid efficiency, reliability, or requiring additional impacts to the environment.

2.2 Requested of the BLM

New land leases and ROWs were required for the proposed project. A grant for the use of up to 100 acres of federal lands administered by the BLM has been acquired (N-092514 and N-094686). No additional permanent access requirements are anticipated. No state or private lands will be accessed.

As a result of the proposed action, Gridliance will be required to upgrade the existing transmission line from where the ARES REM 230 kV interconnection meets the existing Gridliance 230kV transmission line and travels to a proposed adjacent Substation.

The proposed interconnection and access road cross through the West Wide Energy Corridor (Section 368). Approximately 1,615 feet of rail (spur line and the southern end of the main rail line) will also be located within the eastern edge of the Corridor. The facilities area (N-094686) will not be within the Corridor (see Figure 2).

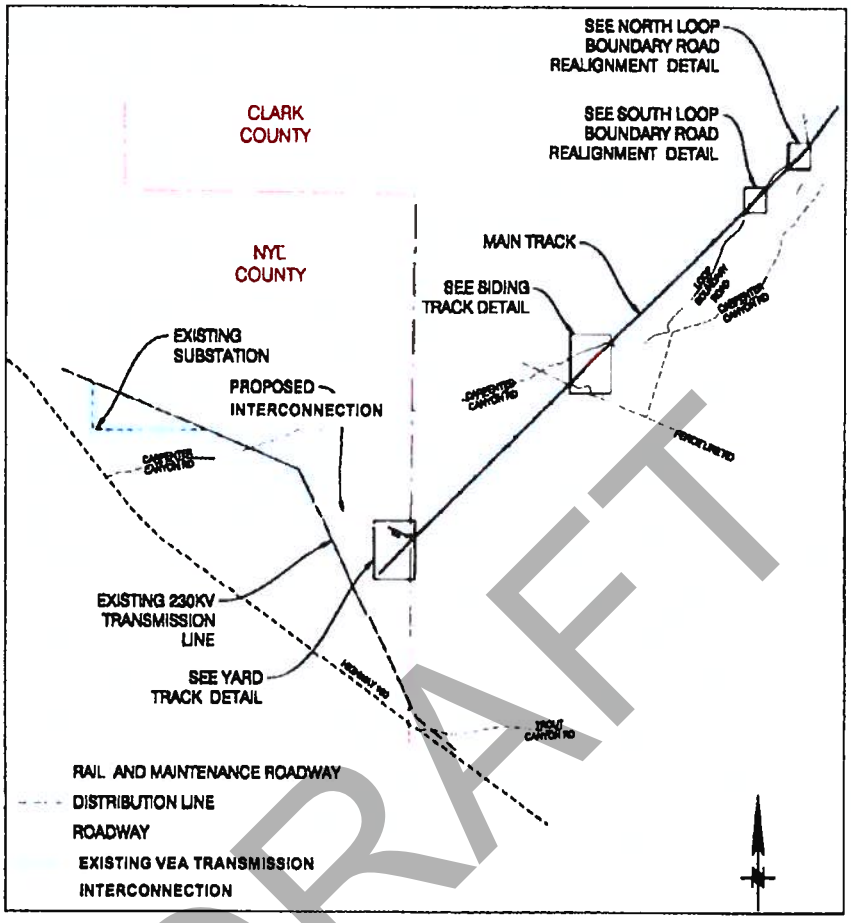

Figure 3. Proposed alignment overview.

2.3 Authorizations, Permits, Reviews and Approvals

ARES has achieved agreement with Gridliance, and is currently in the planning phase with Gridliance to develop an agreement to tie this project proposed Substation into the existing Gridliance 230kV Transmission Line.

Permits required and being pursued by ARES are listed in Table 1.

Table 1. Required Permits, Authorizations and Approvals

Action Requiring Permit	Permit/Approval	Accepting/Approving Agency	Reference
FEDERAL			
Project construction, operation, maintenance and abandonment	Right of Way (ROW) Grant	BLM	FLPMA 1976 (PL 94-579); 43 USC 1761-1771; 43 CFR 2800
National Environmental Policy Act compliance to grant ROW	Environmental Assessment	BLM	NEPA 42 USC 4321, CEQ 40 CFR Part 1500-1508
Potential direct or indirect impacts to federally listed Threatened and Endangered Species and/or habitat.	Endangered Species Act Section 7 Consultation with US Fish and Wildlife Service (USFWS) and Biological Assessment	USFWS	Endangered Species Act, Section 7(a)(2)
Construction sites with greater than five acres of land disturbance	General Permit for Storm Water Discharges from Construction Activities (Section 402 National Pollutant Discharge Elimination System	U.S. Environmental Protection Agency (USEPA)	Clean Water Act (33 USC 1342)
Potential pollutant discharge during construction, operation, maintenance activities	Spill Prevention Control and Countermeasure Plan	USEPA	Oil Pollution Act of 1991 (40 CFR 112)

STATE			
Potential disturbance of historic properties	Section 106 Consultation	State Historic Preservation Office	National Historic Preservation Act of 1966 (16 USC 470) (36 CFR 800)
Construction of a potential energy project	Energy Planning and Conservation Fund	NDOW	Nevada State Assembly Bill 307 (NRS 701.600 - 701.640)
Disturbance of wildlife and/or wildlife habitat for the entire project	Special Purpose Permit	NDOW	NRS 503.597 and applicable Nevada Administrative Code (NAC) Not specific to endangered species
Activity that will disturb one acre or greater, and will discharge storm water runoff from the construction site into a municipal separate storm water sewer system, or waters of the US.	NPDES General Stormwater Permit for Construction	Nevada Division of Environmental Protection (NDEP) Bureau of Water Pollution Control (BWPC)	33 USC 1318; 40 CFR 125.27; 40 CFR 122.26(b)(14)
Environmental issues related to the construction of utility facilities.	Utilities Environmental Protection Act (UEPA)	Nevada Public Utilities Commission	NRS 704.8905
CLARK COUNTY			
Initial introductions have been made; formal consultation with Clark County began September 2016			

NYE COUNTY			
Occupied building fire code compliance and worker safety	Fire Safety Compliance Certification	Pahrump Building and Safety (inter-local agreement with the Nevada State Fire Marshal's Office)	NRS 477
Occupancy of special flood zone designated areas	Flood Damage Prevention Permit	Nye County Planning Department	Nye County Code Chapter 15.12

2.4 Project Components

A spatial layout of the project components can be found in Figures 2 and 3.

Rail Line Corridor (N-092514): The rail line corridor will consist of a permanent linear ROW (N-092514) 5.5 miles long by 45 feet wide, for a total 40+ acres. Construction width for the corridor is expected to average 80 feet to accommodate cut/fill areas, for an additional 59.1 acres of temporary disturbance. The corridor includes the rail line, a track-side maintenance road, an electricity regulation system (parallel overhead catenary transmission line), a mid-slope spur rail to be used as a turnout, and drainage management features. Multiple 48-60 inch storm culverts (see Figure 4) will be installed at significant wash crossing encountered at the upper elevation. The size and shape of these culverts, as well as additional smaller culverts for minor storm flows and desert tortoise crossings will be designed in coordination with the US Fish and Wildlife Service and BLM.

Rail Vehicles: Shuttle trains, each comprised of two electric locomotives and four cars (see Figure 5), will ascend and descend the rail line at slow speeds (average 18.8 mph, but not more than 25 mph), to either take electricity off the grid (on the ascent), or supply electricity to the grid (on the descent). The movement will depend on the immediate electrical demands being placed on VEA by their customers and the transmission system operator, California Independent System Operator (CAISO). Some of the shuttle train cars will be filled with material from the site removed during construction to act as ballast weight. Concrete masses may be used if not enough cut material is collected from the site to fill all of the cars.

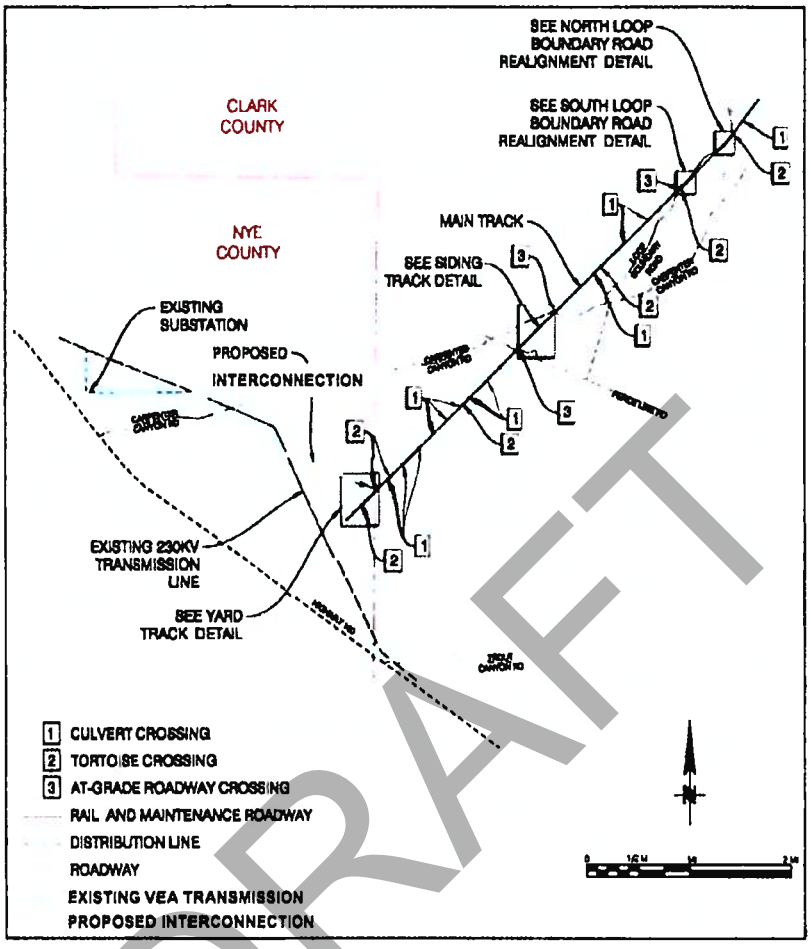

Figure 4. Culvert locations for the ARES project.

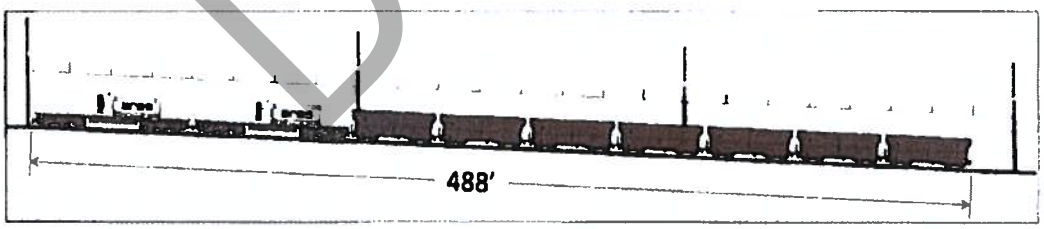

Figure 5. Artistic rendering of the proposed shuttle train and overhead catenary line.

Operations, Control and Maintenance Facility (O&M Facility – N-094686): A facility will be constructed at the southwestern end of the rail corridor to provide operations, control, and shuttle train maintenance support (see Figure 6). This area is approximately 125 feet at the widest point and 295 feet long (less than one acre). Temporary construction areas are expected to expand this area to 440 feet at the widest point and 595 feet long, approximately six acres. Included in this area is the interconnection

substation. This area will be approximately 0.6 acres (170 feet by 145 feet) and contain the substation and a small control building. Both the substation area and the O&M facility will be securely fenced.

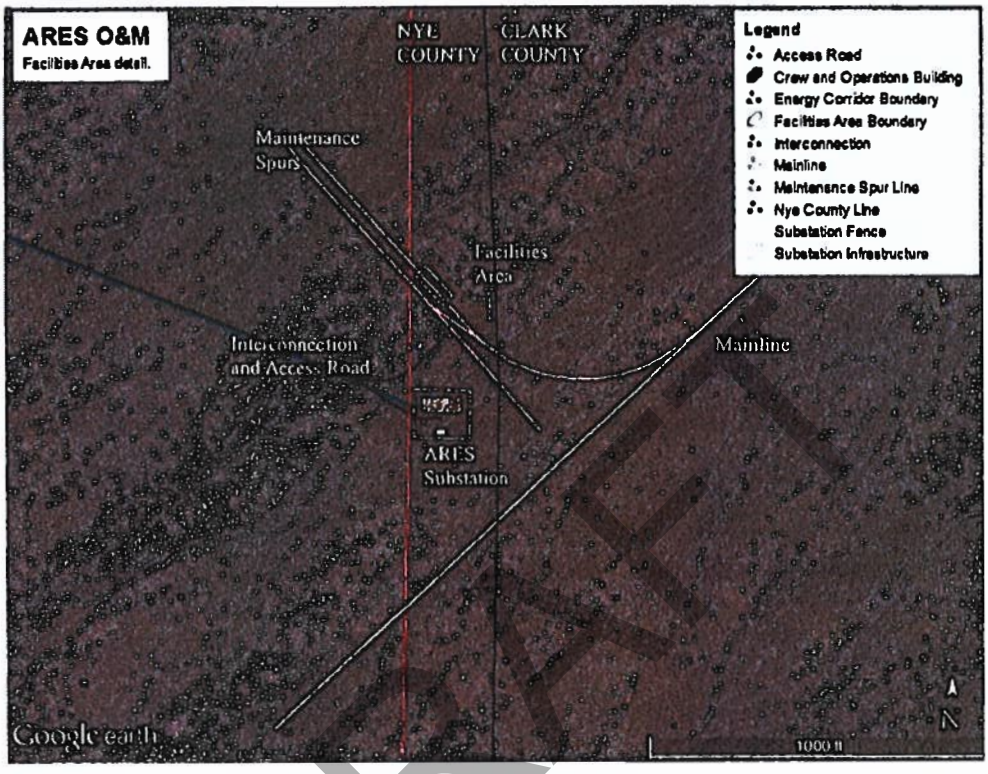

Figure 6. Detail showing O&M facilities area and ARES Substation.

Transmission Interconnection (N-092514): To connect the ARES project to the electric grid, a new 230 kV transmission interconnection will connect the ARES Substation to an existing Gridliance 230 kV transmission line (N-057100).

Access Road (N-092514): A new access road connecting the proposed ARES O&M Facility at the western end of the O&M facility with an existing Gridliance transmission maintenance road will be constructed, running parallel to the new interconnection. The ARES facilities and the new interconnection line will be accessed from this road during construction and operation phases of the project. All existing dirt roads used to access the site during construction will need to be upgraded to type II gravel roads, with drainage features, to accommodate construction vehicles.

Temporary Construction Areas: Laydown yards and other temporary ROW areas will be required and identified prior to the commencement of construction. These areas will be determined by the construction contractor.

The approximate dimension for each of these ROW components is listed in Table 2.

ARES is coordinating with Clark and Nye Counties to identify any required local permits, easements or dedications. Additional permits required by other local, state, and federal agencies are being investigated. ARES has set up an Energy Planning and Conservation Fund (Assembly Bill 307) with the Nevada Department of Wildlife (NDOW).

3.0 PROJECT DISTURBANCE

Table 2. Proposed Disturbance

Component	Length	Width		Acreage	
N-92514	miles	feet permanent (average)	feet temporary (average)	permanent	temporary
Rail Corridor	5.5	45	80	**31.2**	**59.1**
Interconnection and access road	0.71	100	N/A	**10.3**	**4.44**
N-94686	miles	feet permanent (average)	feet temporary (average)	permanent	temporary
Maintenance and Control Facilities	295	125	595x440	**0.8***	**6**
ARES Substation	170	145	N/A	**0.6***	N/A

*Acreage values are greater than actual footprint values as there is an overlap between the components in the linear right of way (N-92514) which enter or bisect the components included in the small site type right of way (N-94686), such as the maintenance spur rail entering the maintenance building.

4.0 COMPONENT DESCRIPTIONS

The following section provides additional information about the major components of the project. In some cases the details are yet to be developed and will be updated as development of the project progresses.

The two grants for the proposed project can be broken down into five components:

N-092514

1. The Rail Corridor with single rail line, shuttle trains, parallel road, drainage features, overhead (catenary) power line, and mid-grade siding or turnout rail.
2. A transmission interconnection to connect the ARES substation to the existing 230kV transmission line, and associated maintenance and project access road.

N-094686

3. Maintenance and control facilities.
4. ARES Substation.

The legal land description for each component is listed within each section below.

4.1 Rail Line Corridor and Vehicles

4.1.1 Single Track Rail Line Corridor

The rail line corridor will include the rail line, a maintenance road, overhead catenary line, drainage management features, and a mid-grade spur line. Remote monitoring of the rail corridor will be installed to protect and monitor the system for maintenance issues and from outside interference. The legal land description for the extent of the rail line corridor is included in Table 3.

Table 3. Rail Line Corridor Legal Land Description

Township and Range	Section Number	Aliquot Part
T. 21 S, R. 54 E.	1	SE ¼ of SE ¼
T. 21 S, R. 54 E.	12	NE ¼ of NE ¼
T. 21 S., R. 55 E.	7	NW ¼ of NW ¼
T. 21 S., R. 55 E.	6	NE ¼, SW ¼
T. 20 S., R. 55 E.	31	SE ¼ of SE ¼
T. 20 S., R. 55 E.	32	NE ¼, SW ¼
T. 20 S., R. 55 E.	33	NW ¼ of NW ¼
T. 20 S., R. 55 E.	28	NE ¼, NW ¼ of SE ¼, SW ¼
T. 20 S., R. 55 E.	27	NW ¼ of NW ¼
T. 20 S., R. 55 E.	22	SW ¼ of NE ¼, NW ¼ of SE ¼, NE ¼ of SW ¼, S ½ of SW ¼

The exact length of the rail line will be determined after geotechnical site surveys are completed and engineering designs are refined, but is anticipated to be 5.5 miles, as indicated in the above figures and tables. The elevation differential will be approximately 2,000 feet, providing an average rail grade of 7%. The permanent width of this portion of the ROW will be approximately 75 feet to accommodate all components. Temporary construction disturbances will expand the rail corridor to 100 feet in some areas (included in the ROW request) to accommodate areas of necessary cut and fill (see Figure 7). The rail system will consist of 136 pound steel rails mounted on steel tensioned concrete rail ties, supported by track ballast comprised of three inch crushed granite or equivalent wear resistant rock. An overhead catenary line, running above the shuttle trains, will be constructed as per ARES final electrical design specification. The transmission poles utilized to support the overhead catenary line will be steel.

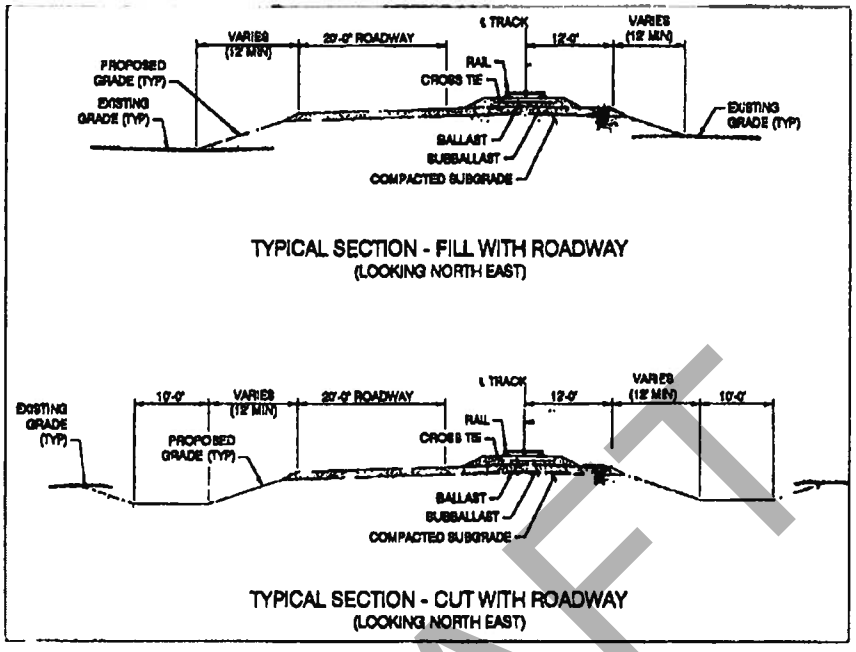

Figure 7. Typical road and rail cut and fill section (temporary disturbance) for the ARES project.

In order to not impede stormwater flows from the Spring Mountains, as many as 12 culverts will be installed under the rail line. The exact dimensions of the culverts will be determined during engineering design discussions with the US Fish and Wildlife Service and BLM; typical culvert cross sections are shown in Figures 8 and 9.

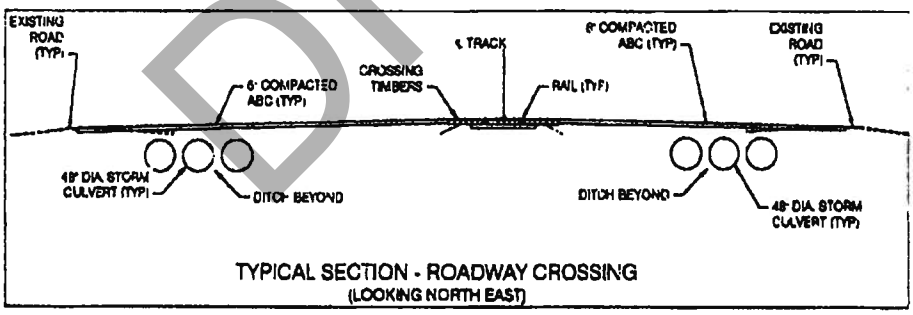

Figure 8. Typical cross section, looking side-long at the rail, for rail corridor areas including 48 inch culverts.

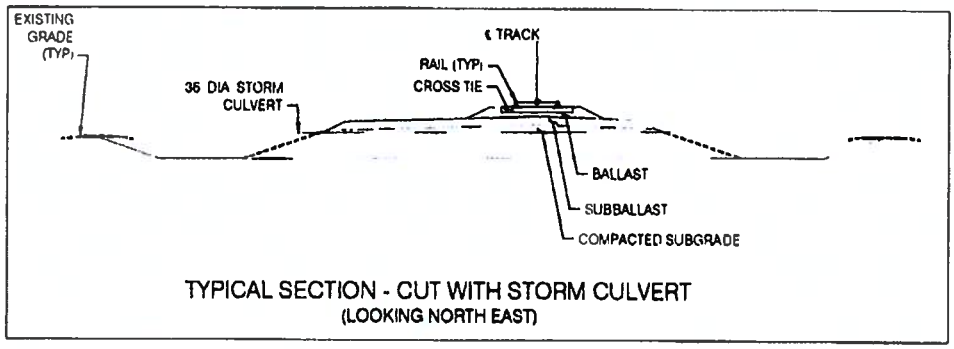

Figure 9. Typical cross section, looking straight along the rail, for rail corridor areas including storm culverts.

Standard rail crossings will be installed where the rail line crosses dirt roads to maintain access to public lands. Crossings (see Figure 3) will include signage, but not lighting. To further improve public safety by minimizing track crossings, Loop Boundary Road, which would cross the rail corridor in multiple locations at the northeast end of the corridor, will be rerouted to reduce the necessary crossings from three to one (see Figures 10 and 11).

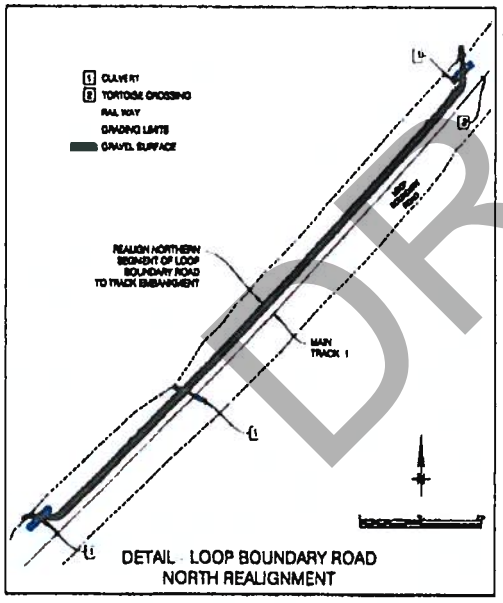

Figure 10. North realignment detail of Loop Boundary Road.

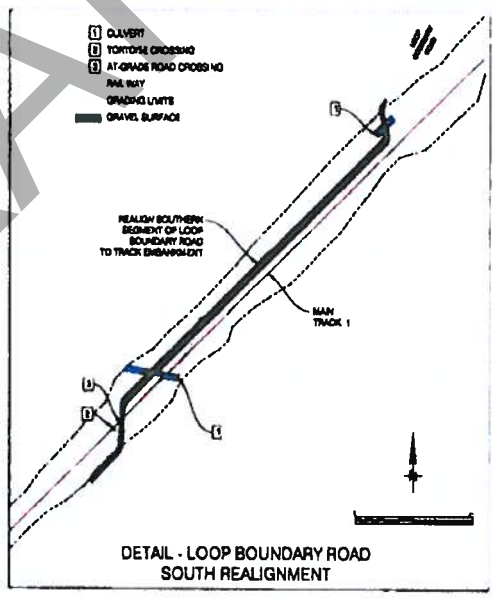

Figure 11. South realignment detail of Loop Boundary Road.

Movement of most wildlife (i.e. wild horses, burros, reptiles, rodents, birds, etc.) is not expected to be impeded by the rail line or associated components. The desert tortoise, however, may encounter issues crossing the rails. For this reason, tortoise crossings will be included in the design of the rail line. Besides

the road crossings, there will be areas where the embankment will be built up and a 'bridge' installed between the two rails, to allow a tortoise to cross to rail line. Should a tortoise fall from the 'bridge,' tortoise escape passages will be installed in multiple locations to allow the tortoise to exit from between the rails (see Figure 12).

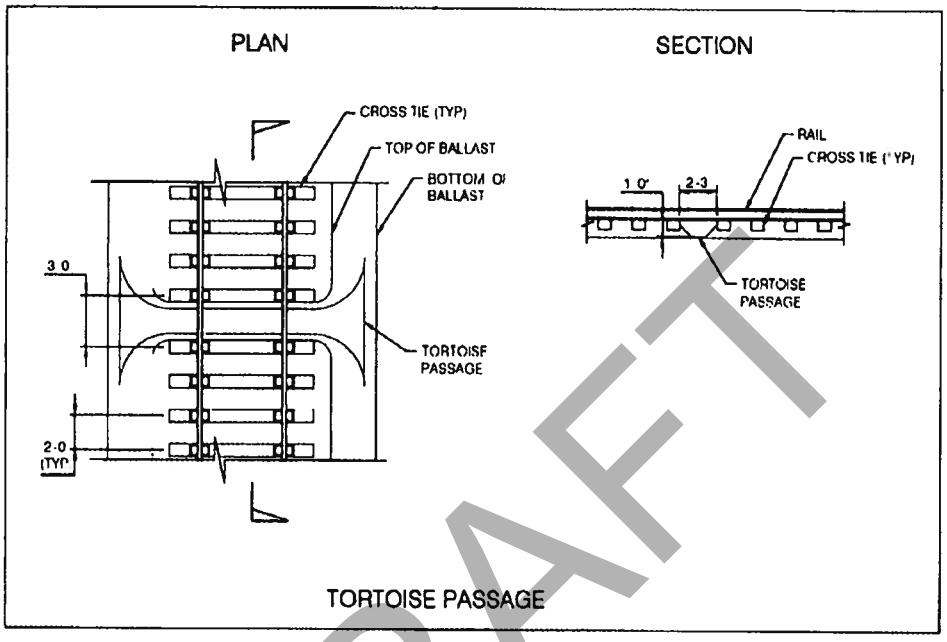

Figure 12. Proposed tortoise escape passages from between the rails.

A rail line siding, or spur line, to allow shuttle cars to be re-sequenced on the main rail line, will be included. The siding rail will be located between the existing fence line road and Carpenter Canyon Road, and be approximately 960 feet in length (see Figures 13 and 14).

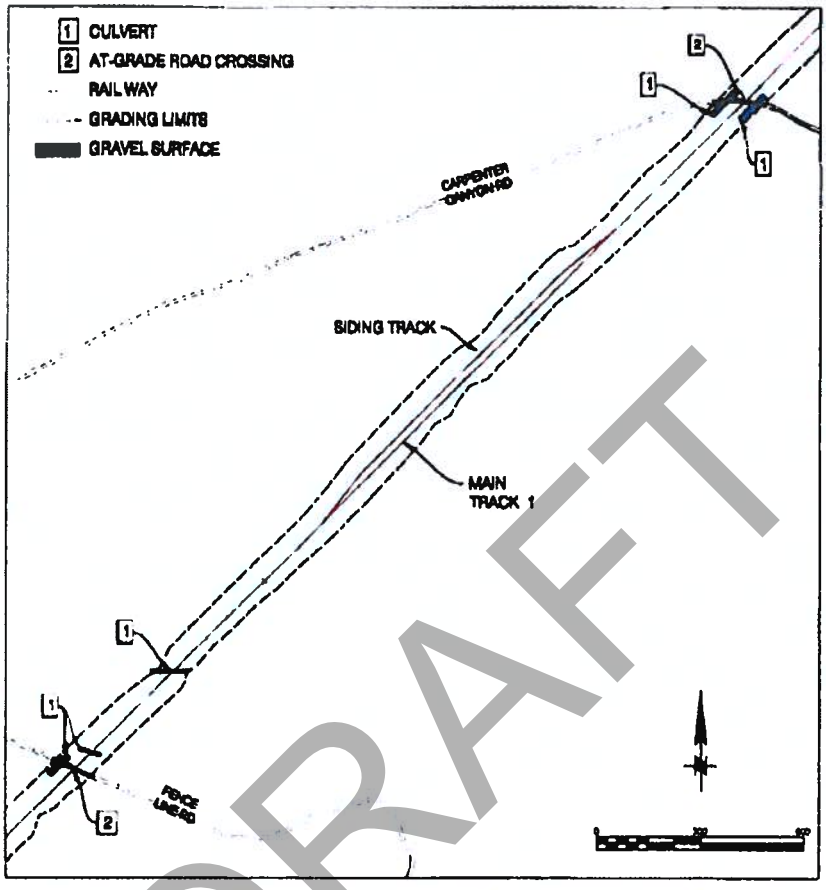

Figure 13. Detail of the rail corridor siding.

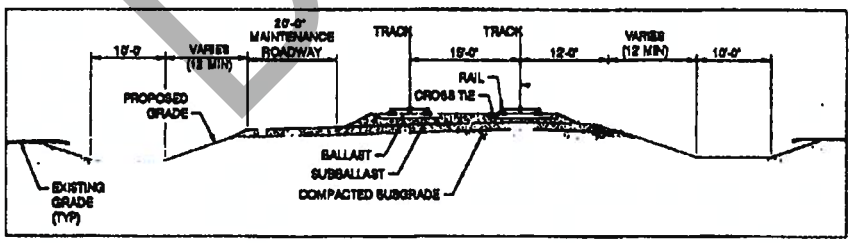

Figure 14. Typical section detailing the cut and fill for the rail siding.

The catenary power distribution line (see Figure 15) will be designed in accordance with the published standards of the Rural Utility Services (RUS) as a Distribution System. The system is expected to consist of steel poles no taller than 36 feet, spaced at approximately 150 foot intervals, carrying 2-wire 24.9kV circuits in a wishbone cross arm configuration supporting two - 954 Aluminum Conductor

Composite Core (ACCC) wires as well as an optical ground wire (OPGW) for facilities communication requirements. Span lengths will vary in areas presenting terrain restrictions. The power distribution poles will be wood with brown fiberglass cross arms supporting ACCC wire.

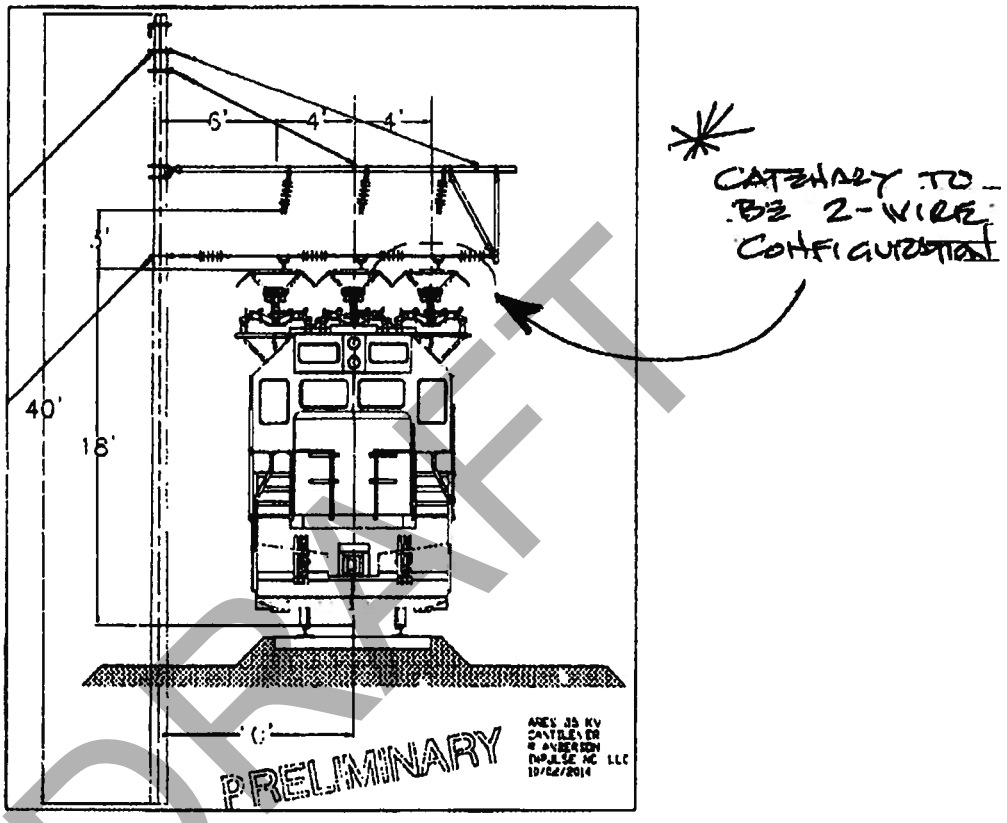

Figure 15. Preliminary design of the catenary power distribution line.

The design, construction, operation and maintenance of the overhead catenary line will meet or exceed the requirements of the National Electrical Safety Code (NESC), U.S. Department of Labor, Occupational Safety and Health Standards and ARES's requirements for safety.

4.1.2 Rail Line Vehicles

Approximately seven shuttle-trains will be located on the single track. Each shuttle-train will be comprised of two electric locomotives weighing approximately 220 tons each and four cars with a weighted load of salvaged soil or concrete, weighing approximately 150 tons each. The shuttles are propelled by high-efficiency regenerative traction drive motors mounted on rail-car chassis. The facility will be compliant with Institute of Electrical and Electronics Engineers (IEEE) 519 generation equipment standards.

Rapid detection and remediation of failures via redundant speed, location, thermal, visual, and vibration sensors, will operate on each shuttle for safety control. Each locomotive will have three redundant breaking systems.

Although each shuttle has the potential to reach 25 miles per hour, the average speed for each will be 18.8 miles per hour.

4.2 Maintenance, Control, and Support Facilities

Operations, control, and maintenance facilities (N-094686) will be constructed in an area perpendicular to the southwestern end of the rail corridor to provide operational support, vehicle control, and shuttle train maintenance facilities. This area will be approximately 125 feet by 295 feet, less than one acre, and 440 feet by 595 feet during construction (less than seven acres of total disturbance). Specific components will include a Project Operations Facility, Control Facility, Maintenance Facility, parking area, a spur storage rail, and potentially a construction lay-down yard and construction staging area (see Figures 16, 17, and 18). A step-down substation (ARES Substation) will also be located here. The substation will require an area of approximately 170 feet by 145 feet, or 0.6 acres. Table 4 contains the legal land description for the facilities location.

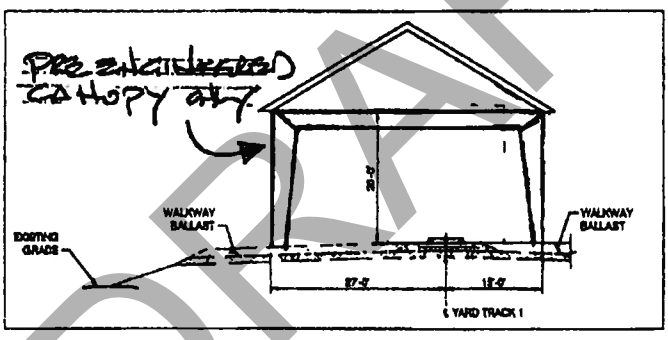

Figure 16. Elevation view of the rail car maintenance building.

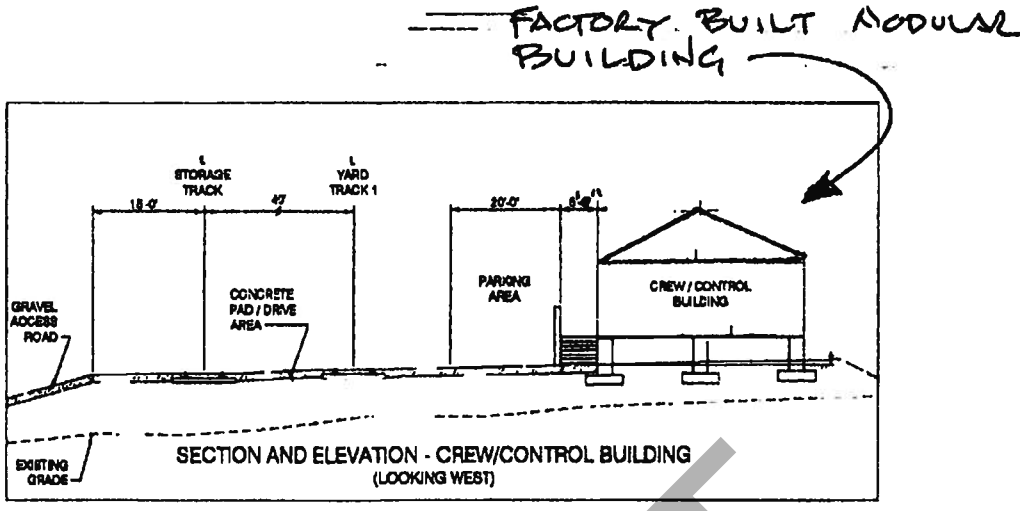

Figure 17. Elevation view of the control facilities and crew building.

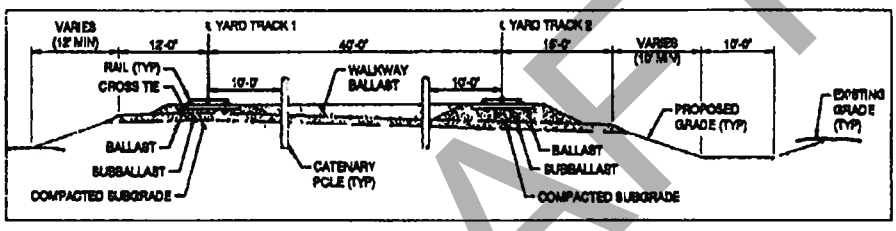

Figure 18. Typical track cut and fill section of the maintenance yard.

The control facilities will have the equipment necessary to respond to grid requirements by controlling the speed and number of shuttles in motion.

ARES will also provide additional administrative offices for project support staff off-site in Pahrump, Nevada. Office space would be leased from existing commercial office space in Pahrump. No other future on or off public land components are envisioned.

Communication facilities needed to integrate the ARES REM system into the Gridliance transmission system and the CAISO grid will require access to a T1 Energy Communications Network (ECN – for Internet services) Circuit and dedicated telephone line which are anticipated to be co-located with an Optical Ground Wire (OPGW) on the transmission interconnection line. Additional details of the communication system are currently being developed.

ARES will install a remote monitoring system at the facility to monitor the rail line and potentially the tortoise crossings, as well as provide an on-site security officer to monitor the support facilities 24 hours a day, 365 days a year.

Table 4. Operation, Control, and Maintenance Facilities Legal Land Description

Township and Range	Section	Aliquot Part
T. 21 South, R. 54 East *maintenance and control buildings*	01	SE ¼ of the SE ¼, of the SE ¼.
T. 21 South, R. 54 East *ARES substation*	12	NE ¼ of the NE ¼, of the NE ¼.

4.3 Transmission Interconnection

A single circuit 230 kV interconnection will run from the new ARES Substation at the down-slope (southwest) end of the ROW to the existing Gridlinace 230kV transmission line. This component will be 100 feet wide and approximately 2,100 feet long. The interconnection would then connect with the existing Gridliance 230kV transmission line. Co-located with the interconnection, and included within the noted acreage, will be a maintenance road which will also act as the O&M area access road. Table 5 includes the legal land description for the interconnection and access road.

Table 5. Transmission Interconnection Line Legal Land Description

Township and Range	Section Number	Aliquot Part
New Interconnection, ARES Substation to Existing VEA 230 kV Transmission		
T. 21 South, R. 54 East	12	Running northwest from the NE ¼ of the NE ¼, of the NE ¼, through
T. 21 South, R. 54 East	01	S ½ of the SE ¼ of the SE ¼, SW ¼ of the SE ¼, N ½ of the SE ¼ of the SW ¼, to the SE ¼ of the NW ¼ of the SW ¼.

The design, construction, operation and maintenance of the 230kV interconnection line will meet or exceed the requirements of the NESC, U.S. Department of Labor, Occupational Safety and Health Standards and ARES's requirements for safety.

4.4 Project Access Roads

4.4.1 Interconnection Access

Existing roads (transmission line maintenance access) will need to be upgraded to provide access for project construction and operation, as well as a new route constructed to provide access from the existing transmission line maintenance access roads to the proposed O&M facilities area. This new road would be co-located with the transmission interconnection.

4.4.2 Rail Corridor Access

The preferred access route would follow the interconnection transmission access road from the southwest terminus of the rail line corridor to intersect the existing Gridliance 230kV transmission line access road (see Figure 4). It would then turn to travel along the existing transmission maintenance road for

approximately 7,500' and connect to Chromium Boulevard, which has an established intersection with Nevada State Highway 160 via Crazy Horse Street.

5.0 PROJECT CONSTRUCTION, OPERATION, AND MAINTENANCE

Section five generally describes the activities anticipated to occur before and during project construction and throughout operation and maintenance of the project. Mitigation measures and lease agreement stipulations (BLM Decision Record) developed in cooperation with the BLM will be included as Appendix A, and will be incorporated as part of the standard operating procedures.

5.1 Preconstruction Activities

5.1.1 Land Surveys

Multiple exploratory and environmental analysis surveys were conducted by ARES and their contractors from 2014 thru 5/2018. These surveys included botanical surveys, desert tortoise presence/absence surveys, preliminary no impact initial alignment measurements, and site visits by potential construction contractors and Nevada Department of Transportation and Public Utilities Commission of Nevada representatives.

5.1.2 Aerial Surveys

In July 2014, an aerial survey of the proposed alignment was conducted in order to develop a more refined alignment and aid in the development of the initial engineering drawings.

5.1.3 Engineering Surveys

The BLM National Environmental Policy Act (NEPA) process determined the preferred alignment for the project. Preliminary surveys and other investigations have been completed, and on-the-ground investigations will be completed to accurately locate the centerline of the ROW within the selected alternative. The exact centerline has been chosen to best implement design criteria, minimize environmental impacts, and satisfy the mitigation measures in the NEPA compliance document to be developed. Detailed surveying and final design drawings are being developed. Required permits to conduct surveys on federal lands have been obtained. ARES has conducted engineering site surveys in consultation with rail design civil engineering consultants Railpros and Atkins. These more precise and detailed surveys conducted after the NEPA established exact project centerline, locations of drainage features, and address soil and geotechnical considerations of hydrology and hydraulics, critical drainage areas, climate induced track stability issues, and the anticipated Carpenter Canyon Road crossing.

Prior to construction, the ROW and temporary access roads for construction and maintenance of the interconnection and ARES Substation will be surveyed to locate the centerlines accurately. Additional ground-based land surveys will be required including structure location (structure staking) surveying, and

access road layout. Structure locations will be flagged and staked, and the proposed centerlines will be flagged and staked where needed.

5.1.4 Cultural Resource Surveys

A Class III cultural survey was conducted during the period November 4 – 8, 2014. The purpose of the cultural resources survey was to locate, document, and evaluate archaeological resources located within the area of potential effects for both routes that could potentially be impacted by the proposed project.

Prior to conducting fieldwork, a Class I records search and review was conducted through the Southern Nevada Archaeological Archive of the Desert Research Institute. Sixteen cultural resources projects have been conducted within one mile of the proposed project area. Six previously recorded archaeological sites have been documented within one mile of the project area; however, none of the sites are located within the project's area of potential effect.

The archaeological survey failed to yield any cultural materials.

5.1.5 Biological Surveys

The Mojave desert tortoise will require special consideration in consultation with BLM, NDOW, and U.S. Fish and Wildlife Service (FWS). Specific mitigation measures for biological resources will be developed as part of the environmental evaluation. If necessary, additional surveys or Section 7 consultation will be supported through the BLM during the NEPA process. Desert tortoise surveys were conducted along the entire proposed ROW in May, September, and October of 2014. One live tortoise was observed, and multiple burrows were identified.

As requested by the BLM, disturbance of special status plants (e.g. cacti, yucca, etc.) will be avoided during construction to the extent possible. If requested by the BLM, native plants requiring special protections will be flagged in areas of potential surface disturbance prior to construction. Native plant surveys were conducted for the entire proposed ROW during the period April 27 – May 25, 2014. Per Nevada Revised Statutes, potentially impacted yucca and cacti will be mitigated for according to current BLM and/or Nevada Division of Forestry requirements. All other vegetation removed during construction will be disposed of in accordance with BLM guidelines.

5.1.6 Interconnection Geotechnical Investigation

Geotechnical investigation will be completed for the interconnection and ARES Substation. The purpose of the geotechnical investigation is to collect information regarding subsurface stability and soil resistivity, which will be used in the final design of each transmission tower structure and foundation, and used in design of the grounding system for both the transmission line and substations. The geotechnical investigation will consist of the drilling and sampling of soils to a typical depth of 25 to 50 feet below the existing ground surface. The boreholes will have a diameter of approximately eight inches and will be backfilled with auger cuttings and on-site soils. Each location will be accessed using existing roads and the same access routes that will be used for construction of the ARES Substation. Surface disturbance will be limited to the actual tracks left by the drill rig and support vehicles within the work areas and access

routes. All areas on BLM lands that are disturbed by geotechnical testing activities were restored per BLM guidance after construction of the interconnection and ARES Substation has been completed.

5.2 Rail Corridor Construction Activities

Construction will involve earth moving, drainage provisions, and placement of materials typical of service roadway and railway alignment construction, and the construction of operations buildings, power transmission line, and rail line. The railway track roadbed, track, overhead catenary, and parallel service road will be built simultaneously. Detailed site plans have not yet been completed; therefore, figures are currently estimates based on initial preliminary site plans. Preliminary site plans will be developed once initial centerline surveys have been completed. Detailed site plans are currently being developed.

Typical materials include Type 2 road gravel, concrete, asphalt and crushed ballast stone, to be obtained from commercial sources using existing, permitted sources.

5.3 Interconnection Transmission Line Construction

Construction of the interconnection line involves augering holes, pouring concrete or Type 2 foundations, erecting poles, installing insulators and hardware, stringing wire, installation of OPGW, testing and commissioning; the construction equipment required may include pickup trucks, bucket trucks, augers, cranes, pole trailers, wire trailers, all terrain vehicles (ATVs), concrete trucks, flat bed trucks, excavators, loaders, dozers, cranes, backhoe, wire-stringing trailers, water trucks.

Construction of the ARES Substation would include site grading, installation of a fence with access gates around the perimeter of the station, ground mat installation below grade, and application of gravel. The outdoor electrical equipment to be installed includes circuit breakers, switches, transformers and instrument transformers, electrical bus work, steel support structures, foundations, oil containment for the transformer, insulators, wiring and installation of a control building. Within the building protective relaying and control equipment, batteries, communication devices and fiber termination equipment would be installed. The construction equipment required may include similar equipment needed for construction of the 230 kV transmission line.

5.4 Interconnection Construction Access

Buildings will require normal foundation preparation, pouring of slab and footers, and erection of pre-fabricated steel buildings, using lifts, cranes, and fork trucks.

Temporary use areas inside the ROW such as temporary parking and construction lay-down yard(s) will be determined at a later date and will be provided by the construction contractor. No additional laydown yards outside the proposed ROW are anticipated.

The total workforce is dependent on scheduling, but a reasonable estimate if all construction activities occur simultaneously is 100 to 125 workers present at the jobsite. Temporary parking required for

construction workers will be identified within the ROW, with the assistance of the construction contractor.

The clearing and grading plan has not yet been developed as it will depend on the detailed site development plans are being developed by Railpros, Atkins and HDR, and will follow the normal, approved BLM, Nye County, Clark County, and Nevada Division of Environmental Protection requirements regarding runoff, potential pollution issues, and disposal sites and methods. Engineering plans, as required by BLM, the Army Corps of Engineers, and others, will be developed by ARES. Grading will be minimized where possible to reduce mitigation requirements.

5.4.1 Materials

Sand, gravel and other materials generated from cut and fill activities within the project will be used for road construction to the extent possible. All necessary materials not collected from the site will be purchased from a permitted commercial source. Rail roadbed ballast and road material sourcing is still subject to engineering specification and procurement standards review.

5.4.2 Project Access Roads

Rail line and interconnection construction requires the movement of vehicles along the ROW. For the proposed project, existing access roads will be utilized whenever possible, although new access road construction will be necessary, as detailed in Section 3.0 Component Descriptions. Upon completion of construction, all access roads with the sole purpose of construction access will be reclaimed according to current BLM standards.

Site access and maintenance roads will be surfaced with Type 2 Gravel and constructed in accordance with Clark and Nye County requirements for Type 2 Gravel Road construction, dependent upon the type and number of anticipated construction vehicles necessary for completion of the project. Permitted commercial vendors will supply the materials for roadbeds. Mitigation measures to reduce impacts during construction and use will be implemented, as detailed in Appendix A. The maximum grade of the access road will be 8%. Requirements and general locations of drainage ditches and culverts will be determined during initial engineering site surveys to be evaluated and surveyed during the NEPA review process. Subsequent design drawings will be develop after NEPA evaluation and detailed engineering surveys.

To the extent that on-site native soil and rock from cut activities is not acceptable for use as crushed three inch rail roadbed ballast or Type 2 gravel road building aggregates, this material will be trucked in from existing permitted vendors in Nye, Clark or San Bernardino County.

5.4.3 Rail Line

The railway infrastructure will adhere to minimum standards per the Recommended Practices in the American Railway Engineering & Maintenance-of-Way Association (AREMA) Manual of Railway Engineering (latest); the maximum engineering standards will be based on those recommended in the publication "Guidelines to Best Practices for Heavy Haul Railway Operations - Infrastructure Construction and Maintenance Issues," published in 2009 by the International Heavy Haul Association

(IIHA). ARES also expects to adopt promising practices presently under test at the American Association of Railroad's Transportation Test Center, Inc., Pueblo, Colorado, related to rail and ballast/subgrade life. These improved practices are not as yet codified in any of the current published standards and/or recommended practices. The order of construction generally is:

- Prepare roadbed, spread base ballast (ballast spreader machine).
- Distribute and space ties (tie distributing).
- Weld and thread rail onto ties (rail threader, welding machine).
- Clip rail (clip applicator machines).
- Install turnouts (cranes).
- Spread additional ballast (special trailer and dump trucks).
- Raise transmission line and tamp the track (ballast tamping and dressing machines).
- Install third rail (trackside power distribution line) and brackets or overhead catenary lines, connect power wires.

Track construction uses common construction equipment such as boom trucks, low-bed trucks, high-lifts, rubber-tired loaders, rubber-tired hydraulic cranes, and dozers, plus specialized equipment such as tie distributing spreaders, rail threaders, a portable rail welding machine, and tamping and ballast handling/dressing equipment.

The existing native topsoil will be moved and/or removed, with heavy equipment such as bulldozers, loaders and excavators, and stored for future use in the restoration of disturbed areas. Much of the remainder of this material will be recycled as road topping, parking lot surface, and fill. Topsoil will be salvaged for reclamation activities occurring at a later date. Groundwater interactions are not expected due to the depth of the water table in this area, and will be confirmed through geotechnical surveys.

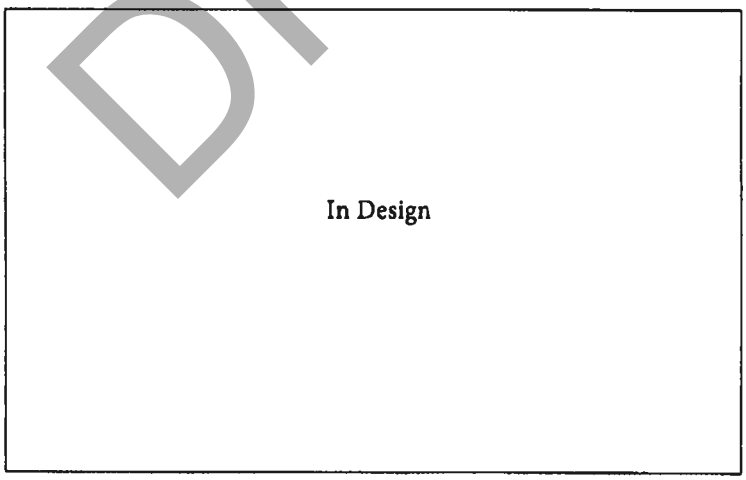

Figure 19. Conceptual plan for a standard railway roadbed.

5.4.4 Catenary Power Distribution Line

Surveying and routing of the rail line and support structures for the overhead power distribution line will assist in identifying any areas of poor soil stability. If soil conditions are unsuitable for installation of poles at specified locations, ARES's contractor will notify the Project Engineer and the BLM of the conditions present, in this condition Catebnary Poles may require casing or foundations.

At each structure site, areas will be needed to stage and facilitate the operation of equipment. A temporary construction disturbance area may be necessary within the proposed ROW. Excavations for poles will be made with power equipment. Where the soil conditions permit, a vehicle-mounted power auger or backhoe will be used. If necessary, the foundation holes may be excavated by drilling. After the hole is augered, poles will be set, backfilled, and tamped using existing soils or gravel as determined by GeoTech. Remaining soils and salvaged topsoil will be spread on the ground, and BLM approved reclamation activities will be conducted. Tower and foundation materials will be determined based on final design specifications. Materials will likely consist of gravel or concrete. Alternatively, depending on final design, no foundation may be necessary.

5.4.5 Building and Support Facilities

The Maintenance structure will be pre-fabricated steel frame building (Roof Only) and the Control Building will be a "Modular" building delivered to the site and located on reinforced concrete slabs. The clearing of natural vegetation will be required. Topsoil will be salvaged for future reclamation activities; unused topsoil will be disposed of as required. Selective clearing will be performed where necessary for electrical clearance, line reliability, and construction and maintenance operations. The ROW will not be chemically treated unless necessary to comply with requirements of a permitting agency.
A step-down substation (ARES Substation) will be located within this component of the ROW. Additional miscellaneous support service locations, including potable water, wastewater, outside lighting, emergency power, fire prevention measures, parking facilities, and storm drains will be detailed in subsequent updates to this POD to allow for NEPA review, and refined during the detailed site engineering survey stage. Outdoor lighting will be directed downwards to the extent possible to minimize the impact on dark skies while still meeting site safety requirements.

5.4.6 Cleanup

Construction sites, material storage yards, and access roads will be kept in an orderly condition throughout the construction period. Refuse and trash, including stakes and flags, will be removed from the sites and disposed of in an approved manner. No construction equipment oil or fuel will be drained on the ground. Oils or chemicals will be hauled to an approved site for disposal. No open burning of construction trash will occur on BLM managed lands.

5.5 Operation and Maintenance

It is anticipated that the facility will be staffed seven days a week, 24 hours a day, for the duration of the project, possibly up to 30 years. Weekday day shifts would be staffed by five personnel including a control/operator, a security officer, a general manager, maintenance workers and administrative worker.

During the night, graveyard, and weekends, shifts may be staffed by up to three personnel including a control/operator and a security officer.

Inspection and maintenance schedules will be developed by the Maintenance Manager who, with their staff, will base the schedules necessary for the various elements of the operating system and on the recommendation of the various manufacturers and suppliers of the equipment, and best practices recommended by organizations such as the American Railway Engineering and Maintenance-of-Way Association, IHHA, American Association of State Highway and Transportation Officials, NDOT, Electric Utility Distributers Association, Institute of Electrical and Electronics Engineers, etc.

The track and roadway will be inspected daily, possibly employing robotic equipment that can work 24 hours a day, seven days a week, without direct manual control. The inspection criteria will be, at a minimum, based on Title 49 CRF 213 Track Safety Standards as published in the Federal Register (latest), supplemented by recommendations of the IHHA and in-house developed criteria based on best practices from a world-wide network of specialized, heavy-haul railroad operations. There will be an internal process for automatic evaluation of inspection results data, tied into a system to generate work orders that will direct the Maintenance of Way (MOW) Department to repair or replace any defective guideway elements. The MOW Department will operate on a proactive basis to minimize the possibility of guideway components slipping below the State of Good Repair, by grinding rail, correcting surface anomalies, ultrasound testing of rail, etc., based on the inspection data and a planning forecast program that prevents any serious exceptions from developing.

Rail vehicle inspection processes and procedures will be provided by the shuttle vehicle component manufacturers.

As part of standard operating procedures, standard mitigation measures (Appendix A) will be implemented throughout the construction and operation of the project in order to reduce potential adverse environmental impacts. Most of the impacts are short term and generally occur during the construction period. Project design and implementation of site-specific or selectively recommended mitigation measures will minimize the effect of the project where the potential for long-term adverse impacts may occur.

5.6 Reclamation

At the end of project life, all structures will be removed by ARES and disposed of using current standards for demolition and disposal in Nevada. Railways will be completely removed and the land reclaimed according to current agency requirements, including but not limited to BLM standards. The disturbed surfaces will be restored to the original contour of the land surface to the extent determined by the BLM. Appropriate site-specific seed mixes will be used where conditions vary. Salvaged native plants will be used for revegetation, if appropriate, along with seeding using BLM-recommended seed mixes. All materials will be stored and disposed of in an approved manner.

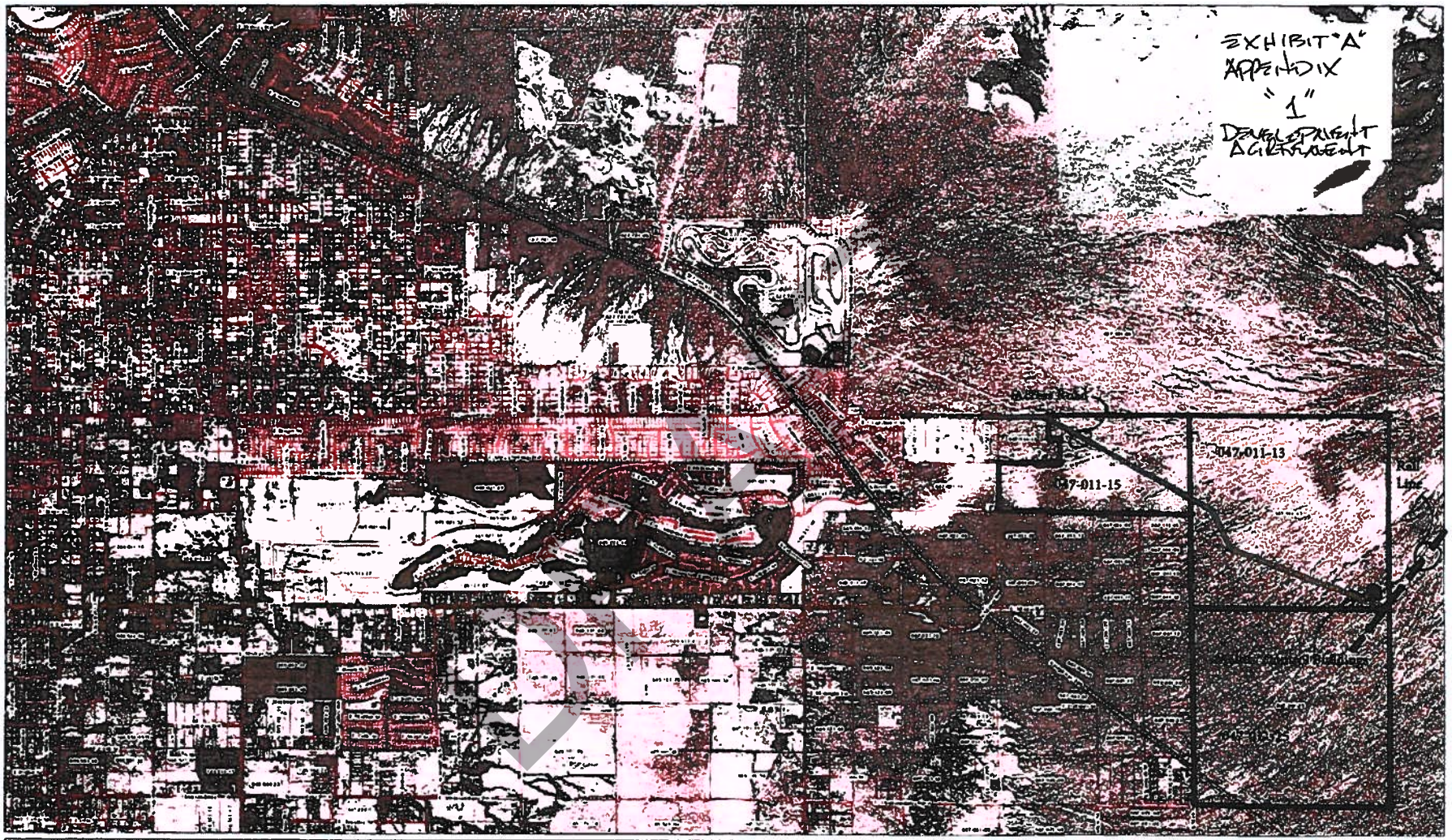
EXHIBIT "A"
APPENDIX
"1"
DEVELOPMENT
AGREEMENT
047-011-13
047-011-15
Assessor Parcels 047-011-13 & 047 011-25
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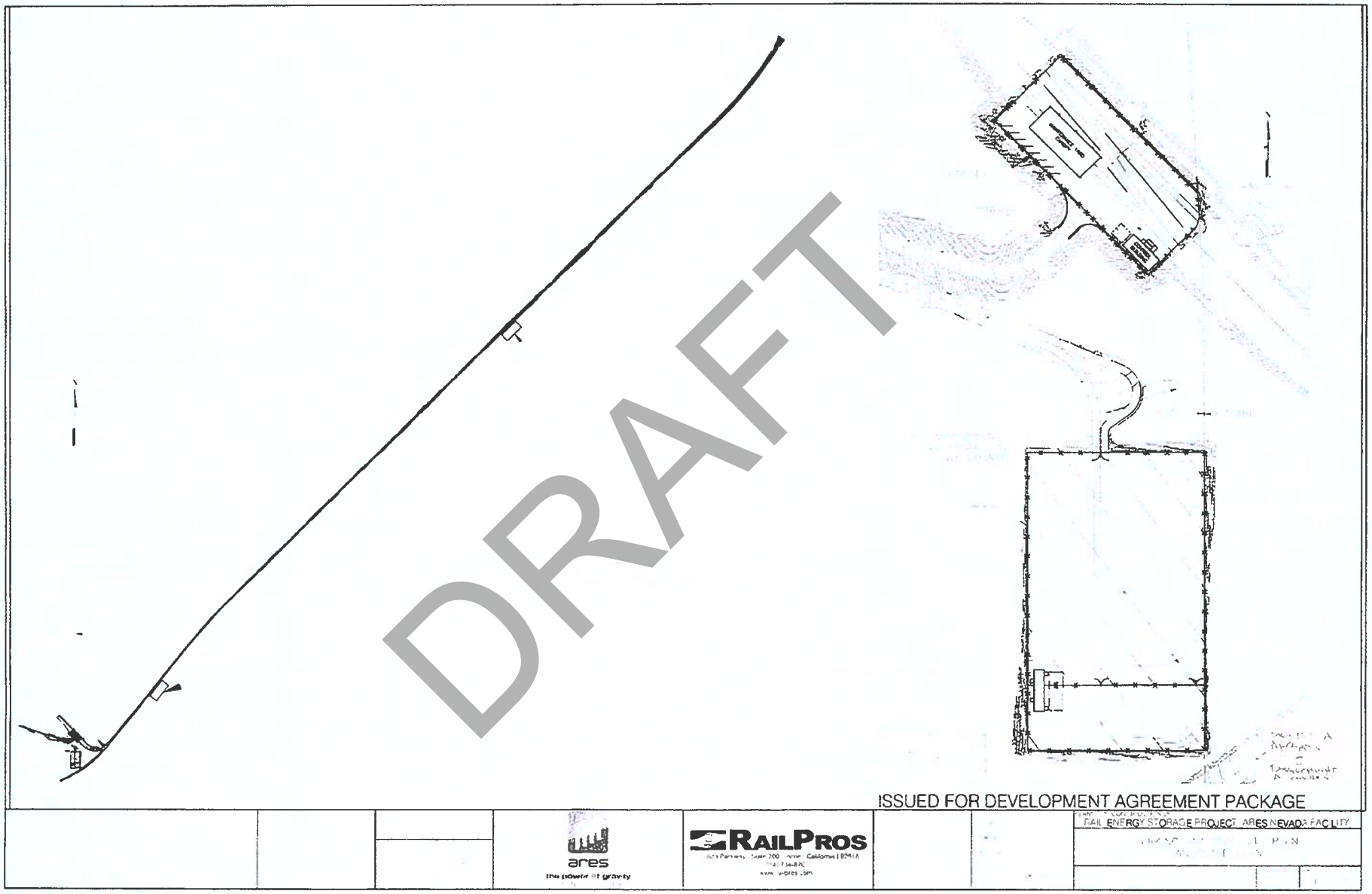
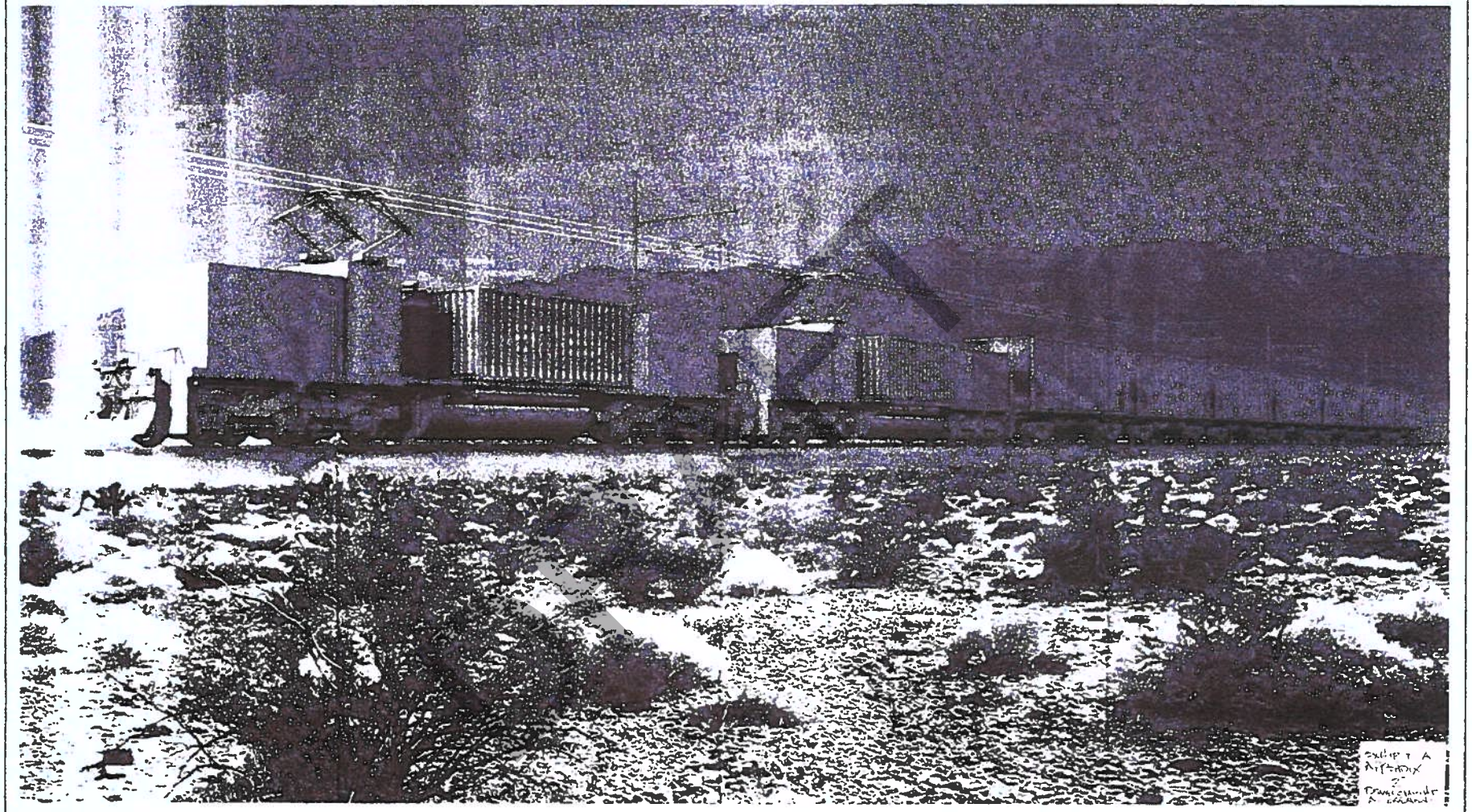


Proposed Draft Bill No. 2018-15 ARES Nevada, LLC Developement Agreement

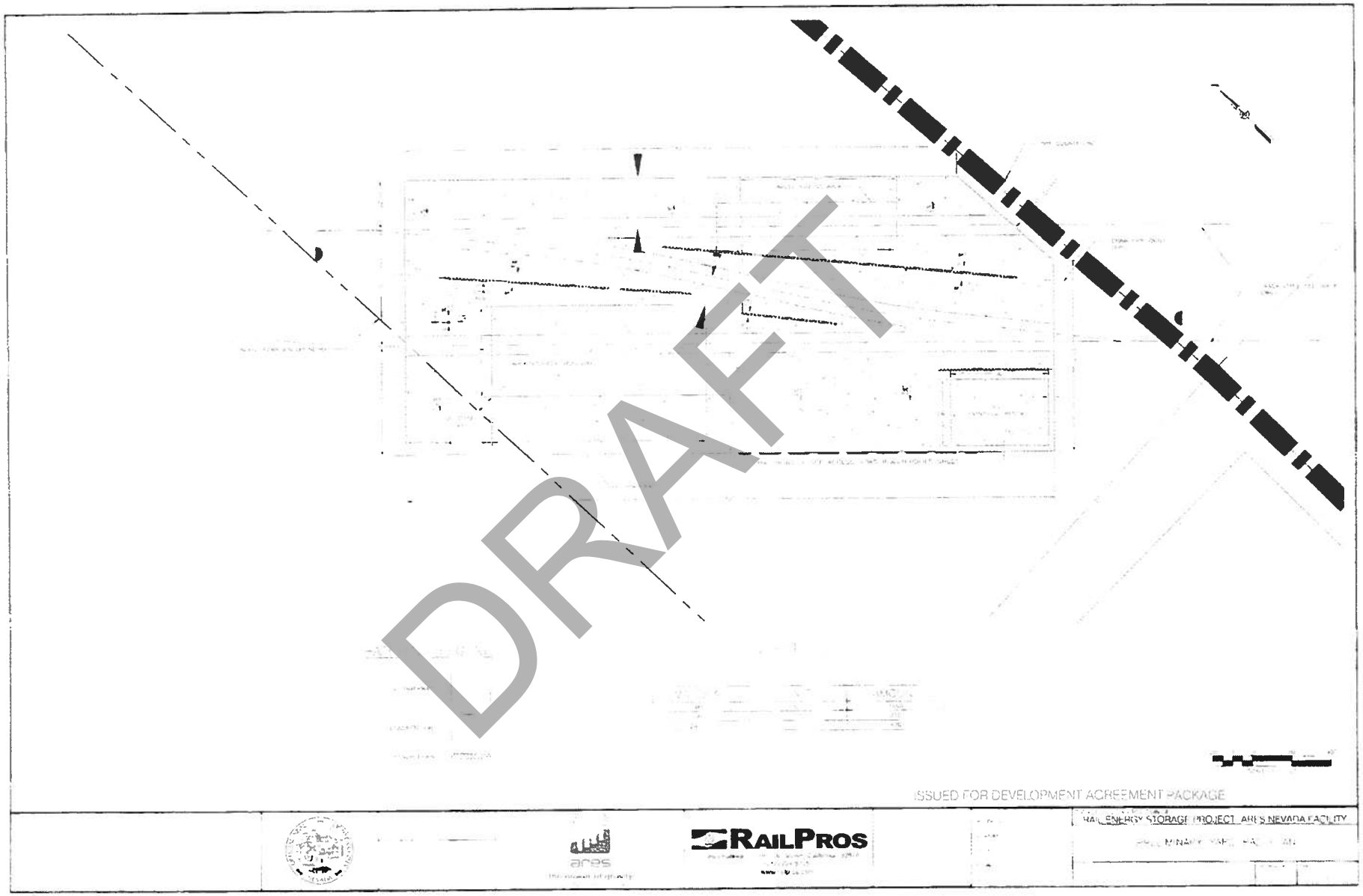


ISSUED FOR DEVELOPMENT AGREEMENT PACKAGE

ares
the power of gravity

RAILPROS

ENERGY STORAGE PROJECT ARES NEVADA FACILITY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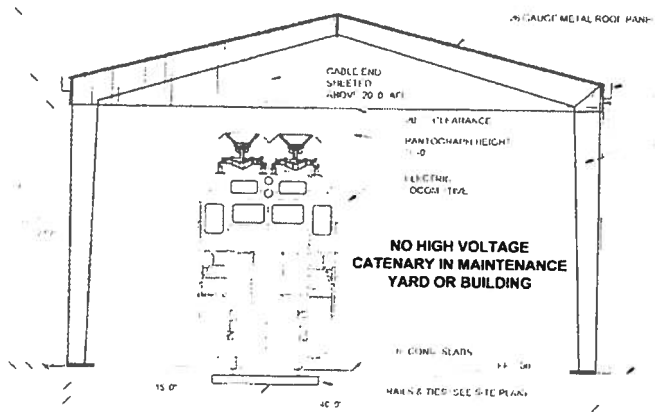
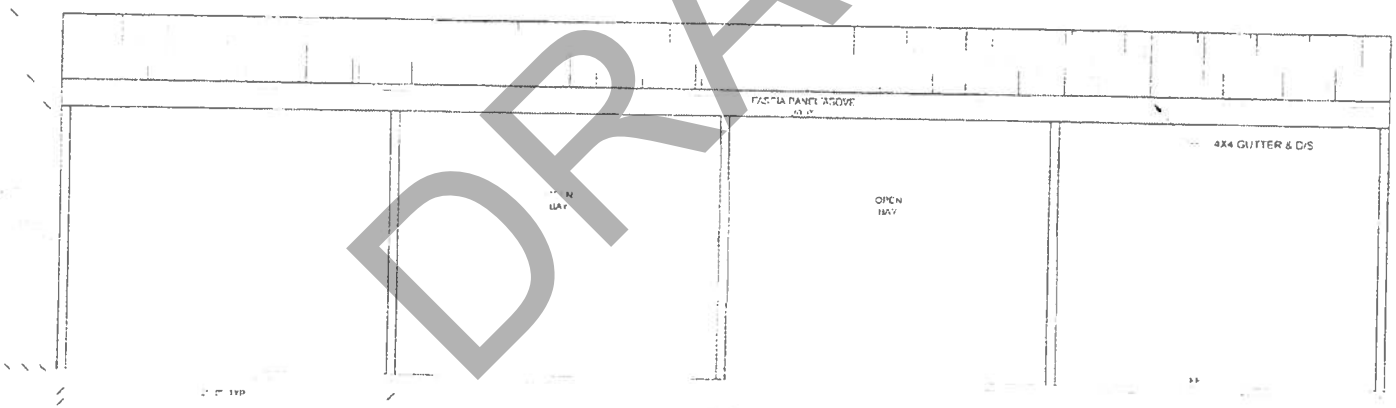


FRONT ELEVATION



SIDE ELEVATION

POTELCO INC
A Quanta Services Company

RAIL ENERGY STORAGE PROJECT - ARES NEVADA FACILITY

MAINTENANCE BUILDING ELEVATION

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Southern Nevada District Office
Las Vegas Field Office
4701 N. Torrey Pines Drive
Las Vegas, Nevada 89130
http://www.blm.gov/nv/st/en.html

In Reply Refer To:
N-92514 and N-92514-01
2800 (NVS01000)

MAY 1 2 2016

CERTIFIED MAIL — RETURN RECEIPT REQUESTED

DECISION

Advanced Rail Energy Storage, LLC :
Mr. James Kelly : Right-of-Way
854 Jimeno Road :
Santa Barbera, California 93103 :

Right-of-Way Issued
Rental Determined

Enclosed is a copy of right-of-ways (ROW) N-92514 and N-92514-01, which have been approved by the Bureau of Land Management. The rental for the linear ROW and the short term ROW are determined according to regulations found in 43 CFR 2806.23. Rental has been received for both ROWs, and noted to our records.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 43 CFR 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

EXHIBIT "A"
APPENDIX
"4"
DEVELOPMENT
AGREEMENT

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

(1) The relative harm to the parties if the stay is granted or denied,

(2) The likelihood of the appellant's success on the merits,

(3) The likelihood of immediate and irreparable harm if the stay is not granted, and

(4) Whether the public interest favors granting the stay.

If you have any questions, please contact Joseph Varner, Realty Specialist, by email at jvarner@blm.gov or by telephone at 702-515-5129.

Frederick Marcell

FOR Vanessa L. Hice
Assistant Field Manager
Division of Lands

Enclosures

Form 2800-14 (August 1985)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT **RIGHT-OF-WAY GRANT / TEMPORARY USE PERMIT**	Issuing Office Las Vegas Field Office Serial Number N-92514

1. A (right-of-way) (~~permit~~) is hereby granted pursuant to:

   a. ■ Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776 43 U.S.C. 1761);

   b. ☐ Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);

   c. ☐ Other (describe)_____.

2. Nature of Interest:

   a. By this instrument, the holder, Ares Nevada, LLC, receives a right to construct, operate, maintain, and terminate a Regulation Energy Management Facility gravity based Energy Storage System, Rail Line corridor with overhead catenary powerline and Mid elevation tracks, a 230 kV transmission line, access roads on public lands (or Federal land for MLA Rights-of-Way) described as follows:

   Mount Diablo Meridian, Nevada
   See Legal Description Exhibit A

   A map showing the location of the right-of-way is on file with the Bureau of Land Management, Las Vegas Field Office, in casefile N-92514.

   b. The right-of-way or permit area granted for the Rail Corridor herein is 45 feet wide, 29,040 feet in length, and contains 30.0 acres, more or less. If a site type facility, the facility contains N/A acres.

   c. The right-of-way or permit area granted herein for the Interconnect and partial access road measuring 100 feet wide, 4,224 feet in length, and a portion of the access road measuring 20 feet wide by 4,224 long and contains 9.70 acres, more or less. If a site type facility, the facility contains N/A acres.

   d. The right-of-way or permit area granted herein for the Access Road 18-20 feet wide, 7,823 feet in length, and contains 3.23 acres, more or less. If a site type facility, the facility contains N/A acres.

   e. This instrument shall terminate on December 31, 2045, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

   f. This instrument [X] may [ ] may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

   g. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

(Continued on page 2)

MAY 1 2 2016

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations parts 2800 and 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 120 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.

d. The stipulations, plans, maps, or designs set forth in Exhibits A, B, and C, dated MAY 12 2016 are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

(Signature of Holder)	Frederick Marcell For Vanessa L. Hice Assistant Field Manager Division of Lands
Chief Executive Officer (Title)	ATM, Division of Lands (Title)
May 10, 2016 (Date)	5/12/2016 (Effective Date of Grant)

(Form 2800-14, page 2)

MAY 12 2016

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations parts 2800 and 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 120 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer. MAY 1 2 2016

d. The stipulations, plans, maps, or designs set forth in Exhibits A, B, and C, dated __________ are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

JAKelley	Shulluck Marcell
(Signature of Holder)	ICR Vanessa L. Hice Assistant Field Manager Division of Lands
Chief Executive Officer	AFM, Division of Lands
(Title)	(Title)
May 10, 2016	5/12/2016
(Date)	(Effective Date of Grant)

(Form 2800-14, page 2)

MAY 1 2 2016

Form 2800-14
(August 1985)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT / TEMPORARY USE PERMIT

Issuing Office
Las Vegas Field Office
Serial Number
N-92514-01

1. A (right-of-way) (~~permit~~) is hereby granted pursuant to:

   a. ■ Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776 43 U.S.C. 1761);

   b. ☐ Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);

   c. ☐ Other (describe)_____.

2. Nature of Interest:

   a. By this instrument, the holder, Ares Nevada, LLC, receives a right to construct, operate, maintain, and terminate a short-term right-of-way for a Regulation Energy Management Facility gravity based Energy Storage System, Rail Line corridor with overhead catenary powerline and Mid elevation tracks, a 230 kV transmission line, access road , the Ares substation, operations controls and maintenance facilities related appurtenances on public lands (or Federal land for MLA Rights-of-Way) described as follows:

   Mount Diablo Meridian, Nevada
   See Legal Description Exhibit A

   A map showing the location of the right-of-way is on file with the Bureau of Land Management, Las Vegas Field Office, in casefile N-92514.

   b. The right-of-way or permit area granted for the Rail Corridor herein is 80 feet wide, 29,040 feet in length, and contains 53.3 acres, more or less. If a site type facility, the facility contains N/A acres.

   c. The right-of-way or permit area granted herein for the two Pulling Station sites is N/A feet wide, N/A feet in length, and contains 2 acres, more or less total. If a site type facility, the facility contains N/A acres.

   d. This instrument shall terminate on December 31, 2018, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

   e. This instrument [X] may [ ] may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

   f. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

(Continued on page 2)

Exhibit A

N-92514 & N-92514-01

Legal Description

Mount Diablo Prime Meridian, Nevada

T. 20 S., R. 55 E.,

sec. 22, SWNE, NWSE, NESW, SESW, and SWSW;

sec. 27, NWNWNW;

sec. 28, NENE, NWSENE, SWNE, NWNWSE, NESW, and SWSW;

sec. 31, SESESE;

sec. 32, NENE, NWNE, SWNE, NESW, SENWSW, and SWSW;

sec. 33, NWNWNW.

T. 21 S., R. 54 E.,

sec. 1, NWSW, SWNW, SWSE, SESE, and NSESW;

sec. 2, lot 2, SNW, and SNE;

sec. 12, NENENE.

T. 21 S., R. 55 E.,

sec. 6, Lot 1 and 7, SWNE, NESW, SENW, and NWSESW;

sec. 7, lot 1.

N-92514 is described as 42.93 acres aggregate.

N-92514-01 is described as 55.30 acres aggregate.

EXHIBIT B

SITE RESTORATION PLAN
&
SITE RECLAMATION PLAN

EXHIBIT "B"

Plan Purpose

Following completion of operations, all structures associated with the rail line will be removed by the project proponent and recycled, repurposed, or disposed of using current standards for demolition and disposal in Nevada. Coordination will occur with BLM to restore the original contour and vegetation of the land.

Habitat fragmentation caused by the REM Facility will be minimized with the installation of dual purpose drainage/connectivity culverts, strategically placed desert tortoise crossings, and under-rail tortoise escapes; dual purpose drainage/connectivity culverts will also ensure that local hydrologic dynamics and dependent plant communities are minimally impacted. Drainage/connectivity structures will be 36 or 48 inches in diameter, depending on the size and characteristics of the drainage channel encountered, and will be accessible to tortoises via tortoise ramps or other appropriate designs.

Litter control will be implemented and enforced by ARES and their contractors. All trash and food related waste will be placed in predator-proof containers (or within closed containers inside closed buildings) and removed as appropriate from the site. Trash, litter, project debris, etc. will be transferred to a designated solid waste disposal facility. Vehicles hauling trash must be secured to prevent litter from blowing out along the road.

1 RECLAMATION PLAN

1.1 Reclamation Requirements

According to the Bureau of Land Management Reclamation Requirements, ARES will:

1. Manage waste materials.
2. Ensure subsurface integrity (geology & hydro-geology).
3. Ensure biological, chemical, physical integrity of soil.
4. Re-establish stable water courses and drainage features.
5. Blend visual composition with surroundings.
6. Re-establish slope stability and topographic diversity.
7. Prepare site to meet the needs for plant establishment.
8. Re-establish desired, self-perpetuating plant community.
9. Prevent introduction/establishment of invasive plants.
10. Implement a monitoring and management protocol.

1.2 Reclamation Objectives

The long-term objective of reclamation is to return the land, following use for energy development, to a condition approximating that which existed prior to disturbance. This includes restoration of the landform and natural vegetative community, hydrologic systems, visual resources, habitat, and forage. Reclamation will be considered successful when the site is recontoured and stabilized, protected from erosion, and revegetated with a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community that maintains ecological resilience and the integrity of natural processes.

At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species which occur in the surrounding natural vegetation. Permanent vegetative cover will be

determined successful when the basal cover of desirable perennial species is at least 80 percent of the basal cover of the adjacent undisturbed area or of potential basal cover as defined in the National Resource Conservation Service Ecological Site(s) for the area.

Operators and right-of-way holders are required to meet reclamation performance standards. Successful compliance with standards and meeting of objectives will be determined by the BLM. If revegetation is unsuccessful, subsequent treatments and reseedings will be required until objectives are met.

1.3 Reclamation Schedule

1.3.1 Interim Reclamation

Interim reclamation will be conducted concurrently with construction. Disturbed areas will undergo interim seeding as soon as possible during the period optimal for seeding (generally October 1-March 1) these disturbed areas could include: completed pad construction, topsoil storage berms, storm water control features, temporarily disturbed areas along roads and pipelines, and cut and fill slopes. The goal of interim seeding would be to stabilize materials, maintain biotic soil activities, and minimize weed infestations. If interim revegetation is unsuccessful, additional prep and reseeding shall be completed annually until standards are met.

Within 6 months following completion of construction, or after a year has passed with no new construction, interim reclamation will be completed to reduce the affected area to the smallest size needed for energy production. The interim reclamation timeline can be extended at the discretion of the BLM Authorized Officer to prevent unnecessary reclamation. Trash and equipment unnecessary to energy production operations shall be removed immediately.

1.3.2 Final Reclamation

Final reclamation will be initiated within no more than 1 year following rail line shutdown and operations closure in 2045. All equipment, facilities, and trash will be removed from the location immediately following final completion of operations. Roads that are no longer essential to the proposed activities will also undergo final reclamation within a year. Prior to final reclamation, an inspection of the disturbed area shall be held to review the existing reclamation plan or agree to an updated plan. Seed tags will be submitted for BLM approval at least 14 days before proposed seeding date. The BLM will be notified at least 48 hours prior to commencing final reclamation work and within 48 hours of completion of reclamation work.

For both Interim and Final Reclamation, earthwork and revegetation activities are limited by the time of year during which they can be effectively implemented. Site conditions and yearly climatic variations may require that the proposed schedule be modified to achieve revegetation success. Interim and Final Reclamation will be ongoing until reclamation objectives are met, or the BLM's Authorized Officer determines reclamation efforts have been sufficient. It is possible that these sites will need to be monitored for five years or more before they achieve reclamation objectives. Monitoring will end once reclamation standards have been met.

1.4 Reclamation Requirement Plans

1.4.1 Waste Management

The Contractor is responsible for waste control within the construction site; removal of the waste material produced from the site; and to implement any mitigation measures to minimize waste or redress problems arising from the waste from the site. The waste material may include any sewage, waste water or effluent containing sand, cement, silt, or any other suspended or dissolved material to flow from the site onto any adjoining land, storm sewer, sanitary sewer, or any waste matter or refuse to be deposited anywhere within the site or onto any adjoining land.

A proper waste management plan shall be implemented to promote waste minimization at source. Where waste generation is unavoidable then the potential for recycling or reuse should be explored and opportunities taken. If wastes cannot be recycled, then the recommended disposal routes should be followed.

Different types of construction waste generated from the site should be segregated, stored, transported and disposed of separately in accordance with the EPA's required procedures. It is important that the sorting of wastes should be done on-site. All waste materials should be segregated into categories covering:

- Excavated material or construction waste suitable for reuse on-site
- Excavated material or construction waste suitable for SEKD reclamation of public filling areas
- Remaining waste for landfill
- Chemical waste
- General refuse

On site measures promoting proper segregation and disposal of construction waste should be implemented, e.g. provide separate containers for inert (rubber, sand, stone, etc.) and non-inert (wood, organics, etc.) wastes. The inert waste can be taken to public filling area and the non-inert waste can be transported to strategic landfills.

It will be the Contractor's responsibility to dispose of excavated spoil and construction wastes. The Contractors will make use of excavated spoil as much as possible to minimize off-site fill material requirements and disposal of spoil. During road transportation of excavated spoil, vehicles should be covered to avoid dust impacts.

The Contractor will also reference the Waste Disposal Ordinance, the Public Health and Municipal Services Ordinance, and the Water Pollution Control Ordinance, and carry out the appropriate waste management work.

1.4.1.1 Construction and Demolition (C&D) Material

Components of construction and demolition (C&D) wastes such as steel and other metals should be segregated and recycled as far as possible before disposal to landfill.

Wastes such as concrete and rubble should only be disposed of at a public filling area.

Any on-site C&D waste handling facilities including temporary areas for sorting and stockpiling of all C&D waste should be set up for handling the large quantities of C&D waste generated prior to disposal.

If there is surplus waste required to be disposed of at public filling area, it should be noted that the public filling materials should only consist of earth, building debris, and broken rock and concrete. They should be

free from household refuse, plastic, metals, industrial and chemical waste, animal and vegetable matter, and other material considered unsuitable by the public filling Supervisor. Small quantities of timber mixed with otherwise suitable material will be permitted.

1.4.1.2 Chemical Waste

Chemical waste (e.g. oily sludge, halogenated solvent) produced from decommissioning of underground pipes and tanks and other activity should be handled according to EPA guidelines.

Uncontrolled disposal of chemical and hazardous waste into the air, soil, and waters should be prevented.

Where tanks or pipes are to be emptied or removed, precautionary measures should be taken to avoid the spillage of any petroleum products that may cause contamination to the ground.

Any contaminated material such as absorbent or cleaning stuffs should be properly disposed of.

On-site refuse collection point must be provided. This waste would normally be collected by private waste collectors, then transferred to a transfer station for compaction and containerization, and finally disposed of at a landfill.

1.4.1.3 Refuse

Implement appropriate measures to minimize windblown litter and dust during transportation by covering trucks or transporting wastes in enclosed containers.

Set up temporary refuse collection facility to store domestic waste and the waste should be collected frequently.

1.4.1.4 Waste Handling and Disposal

Reputable waste collectors authorized to collect the specific category of waste should be used to collect and transport the wastes to the appropriate disposal points.

Waste should be handled and stored properly to ensure that they are held securely without loss or leakage thereby minimizing the potential for pollution. Release of pollutants into nearby water bodies during storage and handling is not be permitted.

Appropriate measures should be employed to minimize windblown litter and dust during transportation of wastes by either covering the trucks or transporting wastes in enclosed containers.

The necessary waste disposal permits should be obtained from the appropriate authorities for specific category of waste in accordance with the relevant regulations.

Collection of municipal wastes should be carried out frequently.

Records of the quantities of wastes generated, recycled and disposed should be maintained, determined by weighing each load or by other appropriate methods.

1.4.2 Subsurface Integrity

Subsurface integrity will be maintained, and sources of groundwater and surface water contamination will be eliminated by properly plugging subsurface openings; stabilizing and properly backfilling underground

workings; and controlling sources of contamination by implementing Best Management Practices (BMPs) to protect groundwater and surface water quality.

Any subsurface openings related to water wells will be developed and plugged per industry standards. Underground workings for infrastructure such as collecting lines, cathodic protection, and other infrastructure will be trenched and backfilled with the same excavated material or appropriately engineered backfill materials in a reverse method from which it was excavated. Backfilled material will be compacted to Project design standards with topsoil salvage and redistribution per predetermined depths. Drainages and other water body crossings will be evaluated at the time of Project planning and construction to determine appropriate subsurface BMPs to be implemented at water crossings. Trench breakers made from sand bags or prefabricated concrete bags may be used at the outer extents of wetlands and drainage crossings to minimize the potential for any inadvertent subsurface drainage of water bodies. Trench breakers may also be used to prevent 'piping' or lateral subsurface water movement along trenched gathering lines in areas where collecting lines parallel water bodies and stream courses.

Subsurface stabilization will include compaction of redistributed subsoils to Project design standards, as applicable.

Water quality will be maintained during surface-disturbing activities using BMPs and reclamation prescriptions predefined in the COMP, SWPPP, and in compliance with the Clean Water Act (CWA).

1.4.3 Soil Integrity

Topsoil shall be stripped following removal of vegetation during construction of well pads, roads, or other surface facilities. This shall include all growth medium - at a minimum, the upper 2-6 inches of soil - but shall also include stripping of any additional topsoil present at a site, such as indicated by color or texture. Stripping depth may be specified during the onsite inspection. Stripped topsoil shall be stored separately from subsoil or other excavated material. Contractors will reference the site-specific document to determine salvage strategies.

Topsoil will not be piled more than 10 feet high, as the resulting compaction and anaerobic conditions can result in soil degradation (Ghose 2001). Precautions will be taken to protect soil from erosion, degradation and contamination, including covering piles with mulch, and diverting water runoff around piles. If mulching is necessary, a certified weed free straw or hay mulch will be applied. Topsoil piles will be labeled to avoid confusion. Soil that will be stored for more than one growing season will be seeded with short-lived species to compete against weeds in accordance to NAC 519A.325. Seedbed prep is not generally required for topsoil storage piles or other areas of temporary seeding.

Erosion control measures such as rock lined ditch/swales, rock/gravel mulches, or other retaining structures will be placed in the affected area to stabilize affected slopes and aid in future revegetation.

Following completion of construction activity, all disturbed areas will be recontoured to their original contours. Final reclamation will return remainder of the site to original contours following decommission of rail line and operations facilities.

1.4.4 Water Courses and Drainages

Depending on site specific needs, culverts, wing ditches, and channels will be utilized to manage water. Waterbars, slope breakers, erosion control blankets, fencing, mulch, straw bales, and rolls may also be used to manage soil erosion. Soil erosion control will be implemented on sites in highly erosive soils and steep areas. Mulching, netting, tackifiers, hydromulch, matting, and excelsior are common methods used to limit erosion on slopes that may be employed. The type of control measure will depend on slope gradients and the susceptibility of soil to wind and water erosion. All runoff and erosion control structures will be inspected periodically, cleaned out, and maintained in functional condition throughout the duration of construction and drilling.

All drainages affected by the rail line or operations will be maintained by culverts and other methods as described in The Gold Book. All roads will be constructed in a manner that does not result in grading within and parallel to drainages. To avoid depositing fill material in drainages, roads will be constructed at a height above drainage channels (USDI-BLM 2012). During the reclamation phase, drainages will be reconstructed and stabilized to function similar to pre-disturbance levels. Drainages and riparian areas will be addressed in greater detail in the site-specific reclamation plans.

1.4.5 Visual Composition

Operations facilities shall be located and placed to avoid or minimize visibility from travel corridors, and other potentially sensitive observation points, unless directed otherwise by the BLM due to other resource concerns, and shall be placed to maximize reshaping of cut-and-fill slopes and interim reclamation of the affected area.

To the extent practical, existing vegetation shall be preserved when clearing and grading for the rail line, roads, and operations facilities. The authorized officer may direct that cleared rocks be salvaged and redistributed over reshaped cut-and-fill slopes or along linear features.

Operations facilities shall be painted a natural color in a non-reflective finish selected to minimize contrast with adjacent vegetation or rock outcrops. The color shall be specified by the BLM.

1.4.6 Slope Stability and Topographic Diversity

In all areas where the soil has been compacted, the soil will be ripped to a minimum of 18-24 inches, with a furrow spacing of 18-24 inches. Where possible, soil will be ripped in two passes at perpendicular directions. After mitigating compaction, contours will be reshaped to blend with natural topography, to the extent possible. Fill material will be pushed into cuts and up over the backslope of the cuts, leaving no depressions where water could pond. Erosion control structures will be installed where necessary to maintain hydrologic function.

1.4.7 Site Preparation for Plant Establishment

In all disturbed areas where soil has been stripped, stored subsoil and topsoil will be restored according to their original orientation in the soil profile, i.e. subsoil below the topsoil. Topsoil will be spread to a depth of 6 inches across the disturbed areas or to a depth similar to what existed pre-disturbance in consultation with the BLM. BLM may require soil amendments.

Final seedbed preparation shall consist of scarifying (pitting, raking or harrowing) the spread topsoil prior to seeding. Scarification shall be repeated no more than 24 hours before prior to seeding to break up any crust

that has formed if the area is to be broadcast-seeded or hydroseeded, or if more than one season has elapsed since final seedbed preparation.

To enhance vegetative establishment and control erosion on slopes steeper than 3:1 (i.e. 15°), seedbed preparation shall consist of pocking or pitting. Surface soil material shall be completely and uniformly pocked or pitted with small depressions, to form micro-basins scaled to site and materials. Depressions shall be constructed in rows, in a "fish scale" pattern. This pattern shall be constructed perpendicular to the natural flow of water down a slope and/or to prevailing winds.

1.4.8 Plant Establishment

All disturbed areas on public lands will be seeded with a seed mixture approved by the BLM, consistent with BLM standards in terms of species and seeding rate for the specific habitat type within the project area.

- Seed will contain no noxious, prohibited or restricted weed seeds and contain no more than 0.5 percent by weight of other weed seeds.
- Only viability-tested, certified seed for the current year, with a minimum germination rate of 80% and a minimum purity of 90% will be used, i.e. pure live seed (PLS) must be ≥ 72%.
- Seed that does not meet the above criteria will not be applied to public lands.

Where possible seed will be selected that is locally adapted and genetically appropriate (i.e. choose a local seed supplier if possible, and ensure genetic compatibility with local plants. Seed from higher elevations/cooler climates may not be adapted for Nevada growing conditions).

A schedule for seed application will be created, detailing the rate and method of planting. Information will include application of mulch and fertilizer, as well as an estimate of success of revegetation.

1.4.9 Seeding Methods

Seeding will be conducted no more than 24 hours following final seedbed preparation. In general, seeding will take place immediately preceding the season with the highest chance of precipitation, typically October through December. Specialized rangeland equipment, such as rangeland drills, Truax drills, surface seeders, hydro-seeders, scarifiers, dozers, or other appropriate equipment will be used in reseeding disturbed areas.

The main purpose of seeding methods is to place the seed in direct contact with the soil, cover the seed with soil, and firm the soil around the seed to eliminate air pockets. Most species can be successfully drill seeded into the soil. Seeding depth in the soil depends on seed size and species-specific requirements; where possible, drill seed following the contours of the site. Follow drill seeding with cultipaction or crimped weed-free straw mulch, to enhance seed-to-soil contact and prevent loss of seeds and soil. The U.S.D.A. - Natural Resources Conservation Service recommendation for drill-seeding rate on arid and semi-arid rangelands with large seeded species is 20-40 PLS per square foot, and for small seeded species (most seed mixes), the rate is 30 to 50 PLS per square foot.

In areas that cannot be drilled, broadcast seed within 24 hours of soil work at the applicable rate. If seeding takes place later than within 24 hours of dirt work, cover seed ½ to 1 inch deep with a harrow or drag bar, unless pocking. When pocking is used as seedbed preparation, seed must be broadcast within 24 hours of soil prep. Broadcast or aerial seedings are at the rate of 60 to 95 PLSs per square foot (approximately double the drill-seeding rate).

Hydro-seeding and hydro-mulching may be used in areas of temporary seeding or in areas where drill-seeding or broadcast-seeding/raking are impractical. Hydro-seeding and hydro-mulching must be conducted in two separate applications to ensure adequate seed-to-soil contact. Note that temporary seeding allows use of a seed mix containing sterile hybrid non-native species or approved cover crop, in addition to native perennial species.

1.4.10 Invasive Species

Operators will be held accountable for the spread of noxious weeds caused by disturbances on federal lands associated with the proposed activities (USDI-BLM 2012). Noxious weeds will be documented during the pre-disturbance survey, and site-specific management will be addressed. ARES will follow the BLM Integrated Weed Management Plan. This plan outlines management goals, methods, and monitoring of weeds of site specific applications. Weed surveys will be completed annually for the life of the project following these protocols. Herbicide use must be approved by the BLM.

1.4.11 Reclamation Monitoring

The operator shall annually survey and report vegetative cover on all disturbed sites, to monitor reclamation success and weed management. An annual report shall be submitted to the BLM Field no later than December 1 of each year.

- Reclaimed areas shall be monitored annually. The annual report shall document whether attainment of reclamation objectives appears likely. If one or more objectives appear unlikely to be achieved, the report shall identify appropriate corrective actions. Upon review and approval of the report by the BLM, the operator shall be responsible for implementing the corrective actions or other measures specified by the authorized officer.
- Adaptive management techniques to support reclamation success and standards may be required. Reclamation will be considered successful when the site is protected from erosion and revegetated with a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community that minimizes loss of habitat, visual resources, and forage.

ARES

BLM PLANS

To be Provided and APPROVED before NTP

Decommissioning and Site Reclamation Plan

A.4 PROJECT DECOMMISSIONING

General

1. Where applicable, decommissioning activities will conform to agency standards and guidance for mitigation and reclamation (e.g., BLM's Gold Book).

2. Applicants must receive approval for changes to the ROW authorization prior to any modifications to the ROW required for decommissioning.

3. Gravel work pads will be removed; gravel and other borrow material brought to the ROW during construction will be disposed of as approved by the agency.

4. Any wells constructed on the ROW to support operations shall be removed and properly closed in accordance with applicable local or state regulations.

5. All equipment, components, and above-ground structures shall be cleaned and removed from the site for reclamation, salvage, or disposal; all below-ground components shall be removed to a minimum depth of 3 feet to establish a root zone free of obstacles; pipeline segments and other components located at greater depths may be abandoned in place

   provided they are cleaned (of all residue) and filled with inert material to prevent possible future subsidence.

6. Dismantled and cleaned components shall be promptly removed; interim storage of removed components or salvaged materials that is required before final disposition is completed will not occur on Federal land.

7. At the close of decommissioning, applicants will provide the Federal land manager with survey data precisely locating all below-grade components that were abandoned in place.

EXHIBIT C

ACCESS ROUTES

BILL NO. 2018-15

NYE COUNTY ORDINANCE NO. 538

SUMMARY: An Ordinance adopting a Development Agreement between the County of Nye, State of Nevada and ARES Nevada, LLC, as the Developer of the Regulation Energy Management Project to construct and operate an Access Road, Maintenance and Control Buildings, Rail Line, Rail Line Corridor/Maintenance Roadway, Overhead Catenary Powerline, and Interconnection Line to an existing 230 kV Transmission Line, including Lay-down Yards and Temporary Construction Areas on approximately six acres of public lands located within Nye County on Bureau of Land Management parcel APN: 045-011-13 and generally located at the Nye-Clark County line in the southeast area of the community on property addressed as 8500 E. Manse Road and located within T21S, R54E, Section 1; providing for the severability, constituationality and effective date thereof; and other matters property relating thereto.

TITLE: AN ORDINANCE ADOPTING A DEVELOPMENT AGREEMENT BETWEEN THE COUNTY OF NYE, STATE OF NEVADA AND ARES NEVADA, LLC, AS THE DEVELOPER OF THE REGULATION ENERGY MANAGEMENT PROJECT TO CONSTRUCT AND OPERATE AN ACCESS ROAD, MAINTENANCE AND CONTROL BUILDINGS, RAIL LINE, RAIL LINE CORRIDOR/MAINTENANCE ROADWAY, OVERHEAD CATENARY POWERLINE, AND INTERCONNECTION LINE TO AN EXISTING 230 KV TRANSMISSION LINE, INCLUDING LAY-DOWN YARDS AND TEMPORARY CONSTRUCTION AREAS ON APPROXIMATELY SIX ACRES OF PUBLIC LANDS LOCATED WITHIN NYE COUNTY ON BUREAU OF LAND MANAGEMENT PARCEL APN: 045-011-13 AND GENERALLY LOCATED AT THE NYE-CLARK COUNTY LINE IN THE SOUTHEAST AREA OF THE COMMUNITY ON PROPERTY ADDRESSED AS 8500 E. MANSE ROAD AND LOCATED WITHIN T21S, R54E, SECTION 1; PROVIDING FOR THE SEVERABILITY, CONSTITUATIONALITY AND EFFECTIVE DATE THEREOF; AND OTHER MATTERS PROPERTY RELATING THERETO.

WHEREAS, pursuant to NRS 278.020, for the purpose of promoting the health, safety, morals or the general welfare of the residents of Nye County, the Nye County Board of County Commissioners ("Board") is authorized and empowered to regulate and restrict the improvement of land and to control the location and soundness of structures; and

WHEREAS, any such regulation, restriction and control must take into account the potential impairment of natural resources and the total population which the available natural resources will support without unreasonable impairment; and

WHEREAS, NRS 278.0203 and Nye County Code Chapter 16.32 authorizes the Board to enter into agreements concerning the development of land with any person having a legal or equitable interest in such land, and such agreements must be in the manner prescribed by ordinance; and

WHEREAS, the Board finds it desirous at this time to allow for the consideration and use of development agreements through the adoption of an ordinance setting forth the standards and manner in which such agreements may be considered;

NOW, THEREFORE, pursuant to NRS 244.110, the Board of County Commissioners of the County of Nye, State of Nevada does hereby ordain as follows:

In accordance with NRS 278.0203 and Nye County Code Chapter 16.32, a development agreement between Nye County and ARES Nevada, LLC, attached hereto (including the Devleopment Agreement and Exhibits A through F), is hereby adopted.

SEVERABILITY. If any provision of this Ordinance or amendments thereto, or the application thereof to any person, thing or circumstance is held to be invalid, such invalidity shall not affect the validity or provisions or applications of this Ordinance or amendments thereto which can be given effect without the invalid provisions or applications, and to this end the provisions of this Ordinance and amendments thereto are declared to be severable.

CONSTITUTIONALITY. If any section, clause or phrase of this Ordinance shall be declared unconstitutional by a court of competent jurisdiction, the remaining provisions of this Ordinance shall continue in full force and effect.

EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after passage, approval, and publication as required by law; to wit, from and after the 10 day of September, 2018.

Proposed on the 17 day of July, 2018.

Proposed by Commissioner

Adopted on the 21st day of August, 2018.

Vote: Ayes: Commissioners:

Nays: Commissioners:

Absent: Commissioners:

BY: _____
John Koenig, Chairman
Nye County Board of
County Commissioners

ATTEST: _____
Sandra L. Merlino
Nye County Clerk and Ex-Officio
Clerk of the Board

A DEVELOPMENT AGREEMENT

BY AND BETWEEN

NYE COUNTY,

AND

ARES NEVADA LLC

August 21, 2018

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This Development Agreement (the "Agreement") is made and entered into this 21st day of August, 2018 by and between the County of Nye, State of Nevada (hereinafter "County") and ARES Nevada, LLC (hereinafter "Developer") (hereinafter collectively referred to as the "Parties"), as the Developer of the Regulation Energy Management (hereinafter "REM") Project.

RECITAL OF PREMISES, PURPOSE AND INTENT

A. Developer or its affiliate controls or has a right of way application with the BLM to develop and operate the REM Project on that certain real property described and shown on Exhibit A and Exhibit B attached hereto and incorporated herein by reference (hereinafter the "Plan of Development" and "BLM Land Grant," respectively) containing approximately 43.5 acres of land, which is the subject of this Agreement. Developer desires to construct a renewable energy project on the Property.

B. The County has authority, pursuant to NRS Chapter 278.0201 to 278.0207 and Nye County Nye County Code, Chapter 16.32, to enter into development agreements with persons having a legal or equitable interest in real property to establish long-range plans for the development of such property.

C. All preliminary processing with regard to this Agreement has been duly completed in conformance with all applicable laws, rules and regulations. The Nye County Board of County Commissioners (hereinafter "BoCC"), having given notice as required by law, held a public hearing on August 21st, 2018, regarding the Developer's application seeking approval of the form of this Agreement and the execution hereof by the BoCC. At that hearing, the BoCC found that this Agreement is consistent with the County's plans, policies and regulations, including the Pahrump Regional Planning District Master Plan, and that the execution of this Agreement on behalf of the County is in the public interest and is lawful in all respects.

D. On the 21st day of August, 2018 the BoCC adopted Ordinance No. 538 approving this Agreement and authorizing the execution hereof by duly constituted officers of the County. Said ordinance took effect on the 10th day of September, 2018. The County agrees to record a certified copy of the ordinance as required by NRS Chapter 278.

E. The County desires to enter into this Agreement in conformance with the requirements of NRS Chapter 278, and as otherwise permitted by County Code, law and this Agreement, to ensure the land use impacts on public services in connection with the Proposed Development are mitigated, as limited to and further defined within specific exhibits attached hereafter, to further the goals and values of the Pahrump Regional Planning District Master Plan and the Nye County Master Plan, to promote the health, safety, morals

and general welfare of the County and its inhabitants, to minimize uncertainty in planning for and securing orderly development of the Property and surrounding areas, to insure attainment of the maximum efficient utilization of resources within the County in a way that provides the highest economic benefit and least fiscal cost to its citizens, and to otherwise achieve the goals and purposes for which the laws governing development agreements were enacted. The conditions stated in this Agreement will reasonably mitigate the land use impacts that the development of the Property will have on the citizens of Nye County. The County finds and the Developer acknowledges that the conditions of this Agreement were not an inducement for any other land use decision relating to the Property or other action by the County.

F. The County finds and determines, and the Developer agrees, that the conditions established in this Agreement are unique to the Proposed Development and were negotiated at the request of the Developer and at arms length between the County and the Developer, and that the conditions of this Agreement have no binding or precedential effect with regard to future development agreements in the County, and cannot be relied upon by the parties to this Agreement, or future applicants for rezoning, subdivision plat, or other land use approvals in other development agreements.

G. This Agreement is consistent with and will implement the goals and objectives of the County Code generally, Title 15 Chapters 15.12, 15.16, and 15.20, Title 16 Chapter 16.32 specifically, the Pahrump Regional Planning District Master Plan Update 2014 and the Nye County Master Plan.

NOW THEREFORE, for and in consideration of the foregoing recitals and of the mutual covenants and promises set forth herein, the parties do hereby agree as follows:

SECTION 1. DEFINITIONS.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

"Affiliate" means an entity, partnership or corporation which Developer controls, or in which Developer has a controlling interest or which controls Developer.

"Agreement" has the meaning assigned to it in the first paragraph hereof, and at any given time includes all addenda and exhibits incorporated by reference and all amendments which hereafter are duly entered into in accordance with the terms of this Agreement.

"Applicable Rules" means and refers to:

(a) The following provisions of the Nye County Code, as it existed on the Effective Date, unless amended by the County and accepted by Developer pursuant to Section 3.5(b) of this agreement:

1. Nye County Code, Title 15, Chapters 15.12 ("Flood Damage Prevention"), 15.16 ("Building and Construction Codes Effective Within the Pahrump Regional Planning District") and 15.20 ("Board of Building and Safety Appeals, Pahrump Regional Planning District");

2. Nye County Code, Title16, Chapter 16.32 ("Development Agreements"); and

3. Title 17 ("Comprehensive Land Use Planning and Zoning").

(b) This Agreement.

The term "Applicable Rules" does not include:

(a) Any ordinances, laws, policies, regulations or procedures adopted by a governmental entity other than the County;

(b) Any fee or monetary payment prescribed by County ordinance which is uniformly applied to development and construction similar to the Proposed Development and subject to the County's jurisdiction, including any increase of fees or monetary payments that are cost-based and uniformly applied to all development and construction within the County or a designated service area. This Definition does not preclude the County from obtaining full cost recovery for any cost-based services or infrastructure that are based on variables such as inflation, construction and consumer price indexing to the extent permitted by Nevada or federal law; or

(c) Any applicable state or federal law or regulation.

"BLM" means the Bureau of Land Management.

"BoCC" means the Nye County Board of County Commissioners.

"Code" means the Nye County Code, as amended by Nye County Ordinances and Resolutions adopted by the BoCC, and including all rules, regulations, standards, criteria, manuals and other references adopted therein.

"County" means the County of Nye, State of Nevada, together with its successors and assigns.

"Developer" means ARES Nevada, LLC, as the Developer of the land constituting the Property and its successors and assigns, if any, as permitted under the terms of Section 3.8 of this Agreement.

"Discretionary Approval" means an approval that involves the exercise of significant and extensive factual or legal judgment by the County.

"Effective Date" means the effective date of the ordinance adopted by the BoCC that approves the execution of this Agreement.

"Engineering Standards" means those uniform standards adopted by the County for the design of roads, drainage, and other infrastructure, as may be amended from time to time. The Engineering Standards are currently set forth in the "Guidelines for Design and Review of Development Engineering Submissions," pursuant to Nye County Resolution 2005-02.

"Land Use Application" means any application seeking any approval authorized or required by the Agreement.

"Land Use Plan" means the drawings and specifications attached in Exhibit A – ARES Plan of Development and BLM Grant.

"Landscape and Buffer Plan" means the drawings and specifications attached in Exhibit B – BLM Restoration Plan and BLM Reclamation Plan.

"Master Plan" means the Nye County Comprehensive Plan dated June 7, 2011.

"Master Traffic Impact Analysis" means a report or study analzing anticipated roadway conditions with or without an applicant's proposed development.

"NRS" means the Nevada Revised Statutes.

"Parties" means the County and the Developer.

"Planning Department" means the Planning Department of the County.

"Planning Director" means the Director of the County's Planning Department, or his or her designee(s).

"Property" means that certain real property as shown on Exhibit A.

"Proposed Development" means all development within the boundaries depicted in Exhibit A, as further described in Exhibits B and C.

"Public Works Director" or "Director of Public Works" means the Director of the County's Department of Public Works or his or her designee(s).

"Technical Drainage Study" means a study prepared in conformance with this agreement, as amended or conditioned and approved by the County.

"Uniform" means applicable throughout the County.

SECTION 2. GENERAL PURPOSE AND INTENT.

This Agreement is predicated upon the following facts and findings:

2.1 County Intent.

The County desires to enter into this Agreement in conformity with the requirements of NRS 278.0201 and as otherwise permitted by law and this Agreement to provide for public services, public uses and impact mitigation, to promote the health, safety, morals and general welfare of the County and its inhabitants, to minimize uncertainty in planning for and securing orderly development of the Proposed Development and surrounding areas, to insure attainment of the maximum efficient utilization of resources within the County in a way that provides the highest economic benefit and least fiscal cost to its citizens, to reasonably mitigate the impacts that the development of the Property will have on the citizens and lands of Nye County, and otherwise achieve the goals and purposes for which the laws authorizing development agreements were enacted.

2.2 Developer Intent.

In accordance with the legislative intent evidenced by NRS Chapter 278, Developer wishes to obtain reasonable assurances that Developer may develop the Proposed Development in accordance with the conditions established in this Agreement. Developer acknowledges that there may be certain insufficient public services, which includes facilities and infrastructure, existing or planned at this time, and in order to develop the Proposed Development, Developer is willing to enter into this Agreement in order to provide certain public services, facilities and infrastructure in the area of the Proposed Development. The Developer's decision to commence development of the Proposed Development is based on expectations of proceeding and the right to proceed with the Proposed Development in accordance with this Agreement. Developer further acknowledges that this Agreement was made a part of the record at the time of its approval by the BoCC and that the Developer agrees without protest to the requirements, limitations, or conditions imposed by this Agreement.

2.3 Incorporation of Recitals.

The foregoing recitals shall be deemed true and correct in all respects with respect to this Agreement and shall serve as the basis for the interpretation of

this Agreement.

SECTION 3. GENERAL PROVISIONS.

3.1 Binding Agreement.

This Agreement shall be binding on and inure to the benefit of the Parties hereto and their successors and assigns, including any future and subsequent purchasers.

3.2 Reliance on the Agreement.

The County and Developer agree that Developer will be permitted to complete the entire Proposed Development in accordance with this Agreement and that, during the term of this Agreement, no modified or subsequently enacted regulation, law, ordinance, or policy of the County shall be applied to the Proposed Development so as to prevent its completion as provided for herein.

3.3 Modification of Agreement.

County and Developer acknowledge and agree that this Agreement is specific to the Proposed Development and may not be amended, modified or changed with respect to the Proposed Development without the express written consent of Developer and County, except as otherwise explicitly provided in this Agreement and by state statute. In the event the County adopts new ordinances, rules or regulations, such new ordinances, rules or regulations will not apply to the Proposed Development for the duration of this Agreement except in those limited circumstances as provided herein.

3.4 Application of Subsequently Enacted Rules.

During the term of this Agreement, unless expressly provided for otherwise, by this Agreement, County hereby agrees that no subsequently enacted standard, policy, resolution or regulation regarding infrastructure improvements, subdivision, land use, zoning, growth management, timing and phasing of construction, or construction methods shall be imposed by the County upon the Proposed Development, except those in effect at the time of this Agreement.

However, the County and Developer agree that the County may hereafter, during the term of this Agreement, apply to the Proposed Development only those ordinances, rules, regulations, laws, general or specific plans, and official policies promulgated or enacted after the Effective Date that:

(a) are not in conflict with the Agreement, or

(b) are permitted by subsection 3.5, below.

3.5 Imposition of Existing and Subsequent Standards.

Notwithstanding the terms of Section 3.3 and 3.4, above:

(a) The Proposed Development is subject to all of the following rules, regulations, fees, or other requirements in effect now or in the future:

1. except as provided herein, all rules and regulations governing construction standards and specifications including, without limitation, the County's building code, plumbing code, mechanical code, electrical code, fire code and grading code, and all other uniform construction codes then applicable, unless amended by the County and agreed to by the Developer pursuant to Section 3.5(b) of this Agreement, in the County, including, but not limited to Chapters 15.12 ("Flood Damage Prevention"), 15.16 ("Building and Construction Codes Effective Within the Pahrump Regional Planning District") and 15.20 ("Board of Building and Safety Appeals, Pahrump Regional Planning District"); and

2. uniform processing fees and charges of every kind and nature imposed by the County to cover the estimated actual costs to the County of processing applications for permits or for monitoring compliance with any permits granted or issued; and

3. mutually agreed upon uniform estimated costs for completing required public improvements that are used to calculate costs for maintenance or warranty guarantees, bonds, or other guarantees or assurances to complete the public improvements that are required for the Proposed Development; and

4. except as provided herein, uniform procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure, provided such procedures are uniformly applied throughout the County to all substantially similar types of development projects and properties; and

5. the Engineering Standards; and

6. uniform laws and regulations that are reasonably necessary to protect the public health, safety, morals or general welfare of the residents of Nye County; and

7. new or changed County ordinances, regulations, plans or

policies specifically mandated and required by changes in state or federal laws or regulations. In such event, the provisions of Section 3.6 and 3.7 of this Agreement are applicable.

(b) Notwithstanding the foregoing, should the County adopt or amend new standards, ordinances, rules, regulations, laws, general or specific plans, or policies that exceed the limitations of Section 3.5(a), County shall provide written notice to Developer within thirty (30) calendar days of adoption or amendment of the same to allow Developer sufficient time to conduct due diligence. If the County provides the above stated notice, Developer may reject such new or amended matters by giving written notice to County. If Developer fails to give such written notice within forty-five (45) calendar days of receipt of notice by the County, such ordinances, rules, regulations or policies are deemed accepted by the Developer. County and Developer shall execute a supplement to this Agreement evidencing Developer's acceptance of any new or amended ordinance, rule, regulation or policy.

(c) The Developer hereby acknowledges that the standards, ordinances, rules, regulations, laws, general or specific plans, and official policies in effect upon or enacted after the Effective Date, which may be applied to the Proposed Development under this Agreement, do not frustrate or otherwise prevent the Proposed Development.

3.6 Conflicting Federal or State Rules.

In the event that any conflicting federal or state laws or regulations, enacted after the Effective Date, prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the County, this Agreement shall remain in full force and effect as to those provisions not affected.

3.7 Cooperation in Performance.

The parties hereto agree to cooperate with each other in good faith and to take such additional actions, including the execution and delivery of documents and instruments, as may be necessary or appropriate, to fully effectuate and carry out the terms, provisions, purposes and intent of this Agreement. Without limiting the foregoing, County agrees that it will not object to any applicable federal and state approvals required for the Proposed Development without first notifying Developer of its objection. The Developer shall have a right to request any Discretionary Approval from the County, in a timely manner.The County is not obligated to grant such Discretionary Approval; however, it shall not be unreasonably withheld from the Developer.

3.8 Assignment.

The Developer shall not sell, transfer, ground lease or assign the Property or this Agreement in whole or in part to any person (other than an Affiliate of the Developer or in accordance with Section 3.8(e)), partnership, joint venture, firm, company or corporation (any of the foregoing, an "Assignee") without the written consent of the County, which shall not be unreasonably withheld.

(a) The Assignee shall assume in writing all duties and obligations of Developer hereunder, and provide substitute security in a form and an amount acceptable to the County for any security previously provided by Developer in compliance with the Agreement, if any.

(b) Documentation of the financial stability of any Assignee shall be provided to County prior to the assignment. The County will approve, approve with conditions, or disapprove such transfer, in a timely manner, in order to ensure that the Assignee has the same ability to fulfill the obligations of this Agreement as the Developer.

(c) Except as expressly provided herein, no assignment or transfer of any portion of the Proposed Development shall relieve Developer of its obligations hereunder, and such assignment or transfer shall be subject to all of the terms and conditions of this Agreement. The County may, in its reasonable discretion, release the Developer of one or more of such obligations in a writing agreed to and executed by the County.

(d) This subsection shall have no effect upon the validity of obligations recorded as covenants, conditions, restrictions or liens against parcels of real property.

(e) Subject to subsections (a) through (d) above, Developer has full discretion and authority to transfer, assign or encumber the Proposed Development or portions thereof to financing parties, in connection with financing transactions that are related to the Proposed Development, without the permission of or notice to County. All such financing transactions shall be subject to the terms and conditions of this Agreement.

3.9 Amendment of Agreement.

Except as otherwise permitted by NRS Chapter 278 and this Agreement, this Agreement may be amended from time to time, upon the mutual written consent of the Parties hereto. All proposed amendments shall be considered solely by the BoCC for adoption or rejection. Modifications to this agreement shall be processed pursuant to Section 4.3.

3.10 Indemnity; Hold Harmless.

Except as expressly provided in this Agreement, Developer shall hold County, its officers, employees, and representatives harmless from liability for damage or claims for damage for personal injury, including death and claims for property damage which may arise from the direct operations of Developer or those of its employees, which relate to the development of the Proposed Development. Developer agrees to and shall defend County and its officers, employees, and representatives from actions for damages caused by reason of Developer's activities in connection with the development of the Proposed Development, provided that County gives prompt notice to Developer of such actions and claims and cooperates with Developer in the resolution of such actions and claims, including any settlement thereof. Developer agrees to provide and pay all costs, attorneys fees, and damages related to a defense for County in any legal action filed in a court of competent jurisdiction by a third party alleging any such claims or challenging the validity of this Agreement. The provisions of this Section shall not apply to the extent such damage, liability, or claim is proximately caused by the intentional or negligent act of County, its officers, agents, employees, or representatives.

3.11 Binding Effect of Agreement.

The burdens of this Agreement bind, and the benefits of this Agreement inure to, the Parties' respective successors in interest and the Property which is the subject of this Agreement.

3.12 Relationship of Parties.

It is understood that the contractual relationship between County and Developer is such that Developer is not an agent of County for any purpose and County is not an agent of Developer for any purpose.

3.13 Entire Agreement.

This Agreement constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all of any part of the subject matter hereof.

3.14 Waivers.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of County and/or Developer, as the case may be.

3.15 Recording; Amendments.

Promptly after execution hereof, an executed original of this Agreement shall be recorded in the Official Records of Nye County, Nevada. Except as otherwise provided by NRS Chapter 278, all amendments hereto must be in writing signed by the appropriate officers of County and Developer in a form suitable for recordation in the Official Records of Nye County, Nevada. Upon completion of the performance of this Agreement, or its earlier revocation or termination, a statement evidencing said completion, revocation or termination shall be signed by the appropriate officers of the County and Developer and shall be recorded in the Official Records of Nye County, Nevada.

The Clerk of the Nye County Commission must record any agreement with a federal, state or local agency that is executed in full or partial fulfillment of any requirement of this Agreement, within a reasonable time after approval of the Agreement, with the County Recorder. The Developer shall provide a true, signed original Agreement to the Clerk of the Nye County Commission for this purpose.

3.16 Headings; Exhibits; Cross References.

The recitals, headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated herein by the references contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits to this Agreement, unless otherwise specified.

SECTION 4. PLANNING, DEVELOPMENT AND MAINTENANCE OF THE PROPOSED DEVELOPMENT.

4.1 Permitted Uses, Height and Size of Structures.

Pursuant to NRS Chapter 278, this Agreement must set forth the maximum height and size of structures to be constructed in the Proposed Development, the density of uses and the permitted uses of the land. This Agreement shall function as any necessary applications for master plan amendments and zone change. The Agreement shall not function as an application for Site Development Plan Review or any waivers that may be required.

(a) The permitted structures and uses of the Property shall be those depicted in Exhibit A hereto.

(b) Subject to modifications mutually agreeable to County and Developer, the Proposed Development shall comply with the Plan

of Development attached in Exhibit A hereto. Notwithstanding the above, where feasible, all administrative and service buildings constructed on the site shall utilize the BLM Standard Environmental Colors chart.

(c) The Parties agree that the Proposed Development will contain design elements to mitigate the visual impact of the Proposed Development. Accordingly, subject to modifications mutually agreeable to County and Developer and subject to BLM requirements, the Proposed Development shall conform to the Landscape and Buffer Plan (BLM Restoration Plan and BLM Reclamation Plan) attached in Exhibit B hereto.

(d) To the extent feasible, exterior lighting shall be directed downward and designed to minimize its impact on the dark-sky visual environment. Prior to commencement of construction, Developer shall provide the Planning Director a lighting plan for review.

(e) The ARES REM site access route from Nevada State Highway 160 to the ARES facilities area will utilize existing and new roads. Development of this access route involved coordination with the BLM, Great Basin College, GridLiance, Nevada System of Higher Education, and Nye County. The final access road, used for construction access as well as operational access, will be approximately 17,700 feet (3.35 miles) long, will be covered in Type II gravel and, where necessary, expanded to 20 feet in width with 2-foot wide shoulders. Existing drainages will be maintained with NDOT Class 150 rip rap and covered with one-inch angular rock. For the portion of the road associated with the GridLiance transmission line (N 57100), a minimum 5-foot off-set from power poles will be maintained. This route will be used for construction access and then operational access until an acceptable alternative route is developed, based on coordination with BLM, Great Basin College, GridLiance, Nevada System of Higher Education, Nye County, and the Spring Mountain Motorsports Ranch.

(f) The Proposed Development must comply with any other requirements, limitations, or conditions imposed by this Agreement.

4.2 Effect of Amendments.

County acknowledges that Developer is anticipating that the entire Property will be developed in accordance with this Agreement and with any future amendments thereto, provided however, that the Proposed Development shall be developed in accordance with the Agreement as set forth herein.

4.3 Modifications to the Proposed Development.

(a) A nonmaterial modification is a modification made by the Developer that:

1. meets or exceeds the requirements of this Agreement by advancing or augmenting the objective of the applicable requirement;

2. does not increase the amount of land area covered by this Agreement;

3. does not result in an intensification of use or of off-site impacts;

4. does not alter the setbacks, allowed heights, and other bulk standards of the Proposed Development allowed by this Agreement; and

5. does not involve a substantial change to the Plan of Development.

(b) A nonmaterial modification permits the rearrangement of uses or structures depicted in the Land Use Plan if such change is within the scope of the applicable county, state and federal approvals of the Proposed Development.

(c) A nonmaterial modification shall be reviewed and granted or denied administratively by the Planning Director within thirty (30) days. If developer is aggrieved by the Director's decisions, Development may appeal that decision in accordance with §16.36.080.E of the County Code.

(d) A material modification includes any modification that does not qualify as a nonmaterial modification, and shall be processed as an amendment to this Agreement pursuant to Section 3.9.

4.4 Additional Property.

Developer may not include property outside the boundaries of the Proposed Development within the terms of this Agreement without the prior approval of the BoCC. If Developer requests additional property to be included, the BoCC must reconsider additional impacts of the proposed additional development in a timely manner, and must ensure that all impacts are appropriately mitigated through Developer contributions, impact fees, and any other allowable revenue source. Furthermore, the BoCC reserves the right to adjust the terms of this Agreement as a condition for allowing the

addition of property.

4.5 Processing of Applications.

(a) The County acknowledges the Developer's desire to have timely reviews of studies, maps, plans, applications for permits, Land Use Applications and other authorizations for development of and within the Proposed Development submitted by Developer (collectively, the "Applications"). The County Schedule (defined below) does not apply to the public hearing portion of any Application for which a public hearing is required under this Agreement.

(b) The County deems the schedule ("County Schedule") set forth in the table below to be a reasonable estimate of time for the County to process Applications. Developer acknowledges that County's ability to process reviews in accordance with the County Schedule is based on Developer's quality of submission and timely and accurately addressing the written comments provided by the County with respect to such Applications. Should County reject any submission due to its lack of clarity and completeness, the submission will be returned to the Developer within three (3) business days and the review time shall be restarted upon resubmission of complete submittals. The County Schedule is expressed in Business Days ("bd") from the date of a complete submittal. Failure of County to complete its review within the timeframes in the County Schedule shall not require the County to approve any of the Applications.

Category	1st Review	2nd Review	3rd and Subsequent Reviews*	Mylar/Map Signatures
1. Hydrology Studies	15 bd	10 bd	5 bd	N/A
2. All other Land Use Applications	15 bd	10 bd	5 bd	5 bd

*If 3rd or subsequent review is required

(c) Developer shall have the option to request that the County utilize a consulting firm or outside consultant ("Consultant") to process the Application at Developer's expense pursuant to the provisions of subsection (d) below. County may also, in its own discretion, utilize a Consultant, at the Developer's expense.

(d) Whenever the Parties utilize a Consultant, the Consultant shall enter into a standard County professional services agreement governing the terms of their relationship ("Consultant Agreement"). The Consultant Agreement shall contain the following provisions:

1. Developer shall pay cost of the Consultant; and

2. The Developer shall have the right to evaluate the performance of the Consultant.

(e) The Parties' decision to use a Consultant may extend the time frames set forth in the County Schedule upon the mutual written agreement of the Parties.

SECTION 5 REVIEW AND DEFAULT.

5.1 Frequency of Reviews; Biennial Review.

Pursuant to NRS Chapter 278.0205.1 and Section 16.32.110 of the Nye County Code, the BoCC may, pursuant to written notice to Developer, request review the Proposed Development once every twenty-four (24) months during the term of this Agreement. In the event the BoCC provides such notice, Developer shall have sixty (60) calendar days to provide a written report to BoCC containing information regarding the progress of the Proposed Development. In the event Developer fails to submit such a report, Developer shall be in default of this Agreement. If, at the time of review, an issue not previously identified in writing is required to be addressed, the review at the request of either Party shall be continued to afford reasonable time for response.

5.2 Opportunity to be Heard.

The report required by this Section shall be considered solely by the BoCC in accordance with the rules and procedures of Section 16.32 of the Nye County Code. County and Developer shall each be permitted an opportunity to be heard orally and in writing before the BoCC regarding performance of the Parties under this Agreement.

5.3 General Provisions-Default.

In the event of any noncompliance with any provision of this Agreement, the Party alleging such noncompliance shall deliver to the other in writing not less than thirty (30) calendar days after the event of noncompliance a notice of default. The time of notice shall be measured from the date of certified mailing. The notice of default shall specify the nature of the alleged default and the manner and period of time in which the default may be satisfactorily corrected, during which period the Party alleged to be in default shall not be considered in default for the purposes of termination or institution of legal proceedings. Such cure period shall not exceed ninety (90) calendar days. If the default is corrected within the cure period, then no default shall exist and the noticing Party shall take no further action. If the default is not corrected, within the cure period, the Party charging noncompliance may

elect any one or more of the following courses.

(a) Option to Terminate. After proper notice and the expiration of the above-referenced cure period for correcting the alleged default, the Party alleging the default may give (unless the default has been cured or waived prior to such date) notice of intent to amend or terminate this Agreement as authorized by NRS Chapter 278. Following any such notice of intent to amend or terminate, the matter shall be scheduled and noticed as required by law for consideration and review solely by the BoCC.

(b) Amendment or Termination by County. Following consideration of the evidence presented before the BoCC and a finding that a default has occurred by Developer and remains uncorrected, County may amend (pursuant to Section 3.9) or terminate this Agreement. In the event of default by Developer, County shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of Developer's obligations hereunder under the procedures set forth in this Section and Section 5.5. County also reserves the right to terminate this Agreement and pursue collection and/or performance of any of Developer's obligations that were required by this Agreement up to the point of termination. Termination shall not in any manner rescind, modify, or terminate any vested right in favor of Developer, as determined under the Agreement and Nevada Law, existing or received as of the date of the termination and to the extent that Developer has performed its obligations under this Agreement. Developer shall have sixty (60) calendar days after receipt of written notice of termination to institute legal action pursuant to Section 5.5 hereof.

(c) Termination by Developer. In the event County substantially defaults under this Agreement, Developer shall have the right to terminate this Agreement after the hearing set forth in this Section. Developer shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of County's obligations hereunder under the procedures set forth in this Section and Section 5.5.

(d) Waiver. Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any Party in asserting any of its rights or remedies in respect of any default shall not operate as a waiver of any default or any such rights or remedies, or deprive such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any of its rights or remedies.

5.4 Unavoidable Delay, Extension of Time.

Neither Party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by governmental entities, failure of governmental agencies (other than County) to perform acts or deeds necessary to the performance of this Agreement, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, litigation, or similar matters beyond the control of the Parties ("Force Majeure"). In addition, nonperformance of a Party hereunder shall be excused as a result of the failure of the other Party to perform under this Agreement which failure of the other Party actually causes such nonperformance. If written notice of any such delay is given to County within sixty (60) calendar days after the commencement of a Force Majeure, an automatic extension of time, unless otherwise objected to by County within thirty (30) calendar days of such written notice, shall be granted coextensive with the period of the Force Majeure, or longer as may be required by circumstances or as may be subsequently agreed to between County and Developer.

5.5 Legal Action.

County and Developer agree that they would not have entered into this Agreement if either were to be liable for damages under or with respect to this Agreement that would be greater than without this Agreement. Accordingly, County and Developer may pursue any course of action or equity available for breach, except that neither Party shall be liable to the other or to any other person for any monetary damages for a breach of this Agreement that are greater than such damages or liability would have been without this Agreement. Prior to the institution of any legal action, the Party seeking legal action must give the thirty (30) calendar day notice of default as set forth in Section 5.3. Following such notice, and the failure of the notified Party to cure such noncompliance within the time period set forth in Section 5.3 , a public hearing must be held by the BoCC where the allegations will be considered and a decision regarding their merits will be reached. Any judicial review of this decision or any legal action taken pursuant to this Agreement will be heard by the court, and the decision of the BoCC shall be reviewed in conformance with Nevada law. Judicial review of the decision of the BoCC shall be limited to the evidence presented to the BoCC at the public hearing. Jurisdiction for judicial review or any judicial action under this Agreement shall reside exclusively with the Fifth Judicial District Court, State of Nevada.

5.6 Notices.

All notices required by this Section shall be sent in accordance with Section 9.

5.7 Applicable Laws; Attorneys' Fees.

This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. Each Party shall bear its own attorneys' fees and court costs in connection with any legal proceeding hereunder.

SECTION 6. INFRASTRUCTURE OBLIGATIONS AND LAND USE MITIGATION MEASURES.

6.1 Generally.

(a) Development Agreement shall stipulate, "Studies to be submitted, reviewed with comments or approval" to include but not limited to participation and/or improvements listed in studies prior to issuance of any Certificate of Occupancy.

(b) All bonds, including performance bonds, letters of credit and bank guarantees to be provided by Developer that may be required to provide financial assurance for the provision or maintenance of infrastructure pursuant to this Section must be issued by an entity that has at least an AAA rating with A.M. Best, AAA by Standard and Poors or Baa3 by Moody's Investor Services, obtained by Developer to cover One Hundred and Fifteen percent (115%) of the estimated cost of infrastructure identified by any Master Studies or the County Engineer or his or her designee. For purposes of this subsection, "AAA rating" means a rating or "AAA" or the highest rating of financial stability that is available under the A.M. Best rating system.

(c) Developer shall make a good faith effort to purchase a reasonable amount of construction and related materials from Nye County vendors; provided such materials are comparable in price, quality, and availability to construction and related materials otherwise available for purchase by Developer and such materials are not subject to an exclusive purchasing contract.

To the extent allowed under applicable laws, Developer shall accept delivery of all construction and related materials within the boundaries of the Proposed Development. Notwithstanding the above, Developer may be required to pay a use tax in accordance with NAC 372.055 for any construction and related materials for which Developer cannot through reasonable diligence accept delivery at the Proposed Development, or such delivery would result in an unreasonable delay to the construction of the Proposed Development. Provided, however, nothing in this paragraph shall require payment of a use tax if Developer has been

granted a partial abatement pursuant to NRS 701A.300 to 701A.390 (AB 522-2009-Sections 28 and 106.5).

(d) County acknowledges that certain rights-of-way and easements outside the boundaries of the Proposed Development may be necessary for development and construction of the improvements described in this Agreement.

6.2 Emergency Services.

(a) Facility Emergency Plan. Prior to accepting hazardous materials within the boundaries of the Proposed Development, Developer, working with the County, shall prepare and provide to the County a facility emergency plan which contains:

(1) A description of the training, equipment, facilities and procedures that will be used to respond to emergencies occurring within the boundaries of the Proposed Development;

(2) Certification that such equipment, facilities and procedures have been approved by all applicable state and federal authorities; and

(3) A descripton of the hazardous materials, their quantities, locations and mitigation storage, transportation, spill and emergency response mitigation strategy and useage plan.

(b) Response Protocols. County and Developer shall jointly develop emergency response protocols which meet or exceed national standards and shall jointly establish the respective responsibilities of the Parties. Each party will maintain a copy of the emergency response protocols.

(c) Changes to Response Protocols. The Developer will notice the Nye County Sheriff's Office ("NCSO") prior to changing and will provide change notices of changes made to the emergency Planning documents or protocols including the addition of hazardous material types and their mitigation starategy within twenty-four hours of the change or receipt.

(d) Fire Protection Training. Developer shall annually, for as long as the REM Project is operating, provide emergency and fire protection training for up to two (2) individuals identified by County. County shall give priority to individuals who serve in the Pahrump Valley Fire and Rescue. Such training shall be the equivalent of training provided to Developer's on-site personnel.

(e) Water Supply. Developer shall provide County, in a location selected by Developer, for as long as the Proposed Development is operating, access to a water supply for County's use in responding to fires at the project site. County agrees to utilize the water supply only for such purposes.

6.3 Water.

No water rights are associated with the REM Project. Water will be purchased and stored on site in accordance with National Fire Protection Association ("NFPA") standards.

6.4 Sanitary System.

Developer shall provide sanitary system facilities as needed for site personnel. County has no obligations, and is not obligated to pay any financial costs associated with obtaining the construction or maintenance of sanitary facilities or the acquisition of rights-of-way, permits, easements, or other interests not owned by Developer necessary to construct the facilities required in this Section. Use of porta-johns during construction period is accepted, with a permanent system in place prior to issuance of Certificate of Occupancy.

6.5 Transportation.

Developer will construct the site access route(s) and road(s), described below, which do not currently exist, in accordance with the mutually agreed upon decision between the County and Developer, and the BLM approved Plan of Development. County agrees that, until such time as the Access Road is completed and available for use, Developer can utilize other access routes depicted in Exhibit D, "Access Routes." Upon completion of construction of the Proposed Development, Developer shall restore the Access Road to the standards prescribed by the County. Developer shall comply with the applicable provisions of NRS 361.157 and 361.159.

(a) Access Route Description.

The ARES project site access route is composed of four sections (See Exhibit D). Beginning at the northwest connection with Nevada State Highway 160 and heading southwest to the ARES site, the components are:

1. Crazyhorse Street – maintained by Nye County, connects Nevada State Highway 160 to the future Chromium Boulevard;

2. Future Chromium Boulevard – ARES held BLM Grant N-92514 (See Exhibit B), connects Crazyhorse Street to the GridLiance transmission line road.

3. GridLiance Transmission Line Road – GridLiance held BLM grant N-57100 (See Exhibit F), connects the future Chromium Boulevard to the ARES Interconnection road.

    i. ARES use of the northern 2,500 feet of this road, which crosses the future Great Basin College campus, was approved in an authorization letter from GridLiance and an authorization agreement with the Nevada System of Higher Education.

    ii. ARES use of the central 2,250 feet of this road, which crosses the future Great Basin College campus, was approved in an authorization letter from GridLiance and BLM ROW Grant N-92514 (See Exhibit B).

    iii. ARES use of the southern 2,400 feet of this road was approved in BLM ROW Grant N-92514 (See Exhibit B).

4. ARES Interconnection Access Road – ARES held BLM Grant N-92514 (See Exhibit B), connects the GridLiance transmission line road to the ARES facilities area.

Beginning at Nevada State Highway 160, the access route will begin at Nye County maintained Crazyhorse Street. At the end of Crazyhorse Street, the route will turn north for approximately 200 feet along the west side of Wulfenstein Gamebird Quarry to intersect the Nye County proposed east/west Chromium Boulevard. This section of access ROW may eventually be turned over to Nye County. Chromium Boulevard parallels the northern boundary of the Wulfenstein Gamebird Quarry for 2,700 feet, then extends an additional 1,000 feet to intersect the existing road within the GridLiance Transmission Line ROW.

The existing GridLiance Transmission Line Road would then be followed to the ARES Interconnection Access Road intersection. This route, slightly shorter than the original (2016) BLM-approved access route using Carpenter Canyon Road to reach the existing GridLiance Transmission Line Road on the Great Basin College campus, will be used for construction access. Operational staff will also use this route until a permanent alternative bypass route is established by Nye County, the BLM, Great Basin College, or other area project proponents in the future.

(b) Access Road Design

As described in the Plan of Development for the ARES REM project, access

roads will be upgraded to support the equipment needed for construction. Road improvements would include:

1. Covering the existing road surface in Type II Class A gravel.

2. Where necessary, road width will be expanded to 20 feet with two-foot wide shoulders.

3. Modifications may be made to ensure the grade does not exceed 6.5%.

4. Constructing a minimum curve radius of 70 feet at turn locations based on requirements for anticipated construction and delivery vehicle size.

5. Maintaining a minimum five-foot off-set from transmission poles along the GridLiance transmission line road.

6. Fortifing wash crossings with Nevada Department of Transportation ("NDOT") defined Class 150 rip rap covered with one-inch angular rock.

7. Removing the top three to six inches of topsoil along the new Interconnection road to store until ready to be spread over temporary disturbance areas after construction.

The planned dimensions of the access roads are a minimum 20-foot width with two-foot wide shoulders on each side for all sections. This specification is based on the minimum requirement per 2006 International Fire Code (adopted by Nye County Fire Department). The road surface of Type II Class A gravel was determined based on Nye County specifications.

The access road design and improvements were based on the anticipated construction traffic. Subsequent operational access would not require further improvements to existing conditions as only up to 16 daily round trips by site staff, and up to one daily trip for miscellaneous deliveries, is anticipated.

(c) Access Road Usage

ARES project construction, including access road upgrades, is expected to last less than 12 months. A majority of the major construction work will be completed in the first nine (9) months. Anticipated construction traffic along the access route includes:

1. Initial delivery and return of approximately 20 oversize and/or overweight trucks with earthwork equipment.

2. Initial delivery and return of approximately 40 loads of general construction equipment (standard size and weight).

3. Personal size vehicles to transport 50 to 125 construction personnel daily for nine (9) months. Most of this traffic may be limited to the Wulfenstein Gamebird Quarry, where construction personnel would then 'carpool' to the ARES site.

4. Approximately 5,000 loads of aggregate, up to ten loads per hour for a three-month period (standard size and weight).

5. Approximately 12 overlength trucks (100-foot) for locomotives deliveries.

6. Approximately 100 loads of rail vehicles and components (standard size and weight).

7. Approximately 200 loads of track ties (standard size and weight).

8. Approximately 500 loads of track rail (standard size and weight).

9. Approximately 100 concrete truck deliveries (standard size and weight).

10. Several hundred deliveries of smaller, miscellaneous components and materials (standard size and weight).

11. Delivery of modular building.

12. Delivery of six high tension transmission towers (oversize).

13. Delivery of one substation transformer (overweight).

14. Delivery of large cranes to pulling station pads along the overhead catenary and interconnection lines for transmission line stringing and substation construction (oversize).

6.6 *Storm Drainage*

(a) Technical Drainage Study. Prior to commencement of construction, Developer will submit to the County a Technical Drainage Study for the Proposed Development for review and approval by the County. Developer shall provide the improvements required in the approved Technical Drainage Study in order to mitigate land use impacts of the

Proposed Development.

(b) Maintenance and repair of all proposed easement infrastructure for drainage/utility use shall be the sole responsibility of the Developer. The County may require Developer to provide a maintenance bond or letter of credit to the County to guarantee maintenance and repair of all drainage and storm water management facilities and utility easements while this Agreement is effective or while Developer has the right to use the Property, whichever is longest. The amount of the security shall be a minimum of 115% of estimated costs.

6.7 Assurance for Completion and Maintenance of Improvements.

The County may require Developer to provide performance bonds or irrevocable commercial letters of credit for all roadway and storm drainage improvements that are identified in this Agreement and/or through an approved Master Traffic Impact Analysis and the approved Technical Drainage Study. Such bond amounts or letters of credit shall reflect 115% of the total estimated cost for the work to be done by Developer under this Agreement as determined or approved by the Director of Public Works, and shall be adjusted no less frequently than every two years, for inflation and escalation in construction cost using a published and generally accepted cost index.

6.8 Limitation on Developer's Obligations

Except for the payment of applicable sales, possessory use and property taxes (less allowable reductions and abatements), Developer shall have no obligation to participate in, pay, contribute or otherwise provide any further exaction, including assessments or fees, or to provide facilities or improvements beyond those specifically identified by this Agreement.

SECTION 7. EMPLOYMENT.

The Parties agree that the provision of employment opportunities for local and County residents will assist in mitigating the impacts of the Proposed Development, and acknowledge that the Developer has an incentive to hire local or County residents. Accordingly, Developer agrees that, during operations, it will use commercially reasonable efforts to ensure that a significant portion of the personnel employed and assigned to the project will be full time employees with benefits.

Subject to all applicable legal requirements, conditions of financing, and other requirements applicable to the Proposed Development, Davis-Bacon and related Acts, if applicable, and any other applicable requirements, Developer will make commercially reasonable efforts to hire applicants who reside in Nye County for the construction and operations of the REM Project and to request its contractors and subcontractors for the construction and operations of the REM Project to do

the same, provided that such applicants are in Developer's sole discretion qualified for such employment. Developer will provide County prior notice of its intent to enter into any labor agreement for the construction or operation of the Proposed Development.

SECTION 8. CONSTRUCTION STANDARDS AND INSPECTIONS.

8.1 Construction Standards.

(a) County and Developer acknowledge that construction of the Proposed Deveopment will be governed by specialized state and federal codes and regulations (the "Construction Standards"). It is the Parties' intent to establish a procedure for certifying compliance with the Construction Standards that minimizes unnecessary delay and cost to both County and Developer.

(b) Prior to commencing construction, Developer shall provide County:

1. a description of the applicable Construction Standards;

2. a list of the state, federal and other authorities responsible for ensuring compliance with the Construction Standards;

3. the qualifications needed for a person to inspect construction within the Proposed Development and to certify compliance with the Construction Standards; and

4. a copy of all construction plans and drawings prepared for use in certifying compliance with the Construction Standards.

8.2 Inspection and Certification.

Developer shall have construction within the Proposed Development inspected by an independent consultant with the qualifications set forth in section 8.1 (b) (3) above. Upon completion of each inspection, Developer shall provide County a certification from the consultant that the construction complies with the Construction Standards.

8.3 Conflict with Agreement.

To the extent that the Construction Standards conflict with the Applicable Rules, the Construction Standards shall control. The provisions of Nye County Code, Title

15 Chapters 15.12, 15.16, and 15.20 of the Code shall govern only if: i) the proposed construction activity is specifically governed by those chapters; and ii) the activity is not governed by the Construction Standards.

SECTION 9. NOTICES/RECORDATION.

9.1 Notice.

All notices, demands and correspondence required or provided for under this Agreement shall be in writing and delivered in person or mailed by express mail or certified mail postage prepaid, return receipt requested. Notices shall be addressed as follows:

To County:	County of Nye, A political subdivision 250 N. Highway 160, suite 1 Pahrump, Nevada, 89048 Attention: Planning Director
To Developer:	ARES Nevada, LLC 14103 Stewart Road Sumner, WA 98390
With Copy to: BLM Southern Nevada Field Office	4701 N Torrey Pines Drive Las Vegas, NV 89130

Either Party may change its address and/or contact persons by giving notice in writing to the other and thereafter notices, demands and other correspondence shall be addressed and transmitted to the new address. Notices given in the manner described shall be deemed delivered on the day of personal delivery or the date delivery of mail is first attempted.

9.2 Recording.

Promptly after execution hereof, County shall record an executed original of this Agreement in the Official Records of Nye County, Nevada. Upon completion of the performance of this Agreement, or its earlier expiration, revocation or termination, a statement evidencing said completion, revocation or termination shall be signed by the appropriate officers of the County and Developer and shall be recorded in the Official Records of Nye County, Nevada.

SECTION 10. SEVERABILITY OF TERMS.

If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect, provided that the invalidity, illegality or unenforceability of such terms does not materially impair the Parties' ability to consummate the transactions contemplated hereby. If any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall, if possible, amend this Agreement so as to affect the original intention of the parties.

SECTION 11. DURATION OF AGREEMENT.

Except as provided herein, this Agreement shall expire 30 years after the Effective Date. Developer may terminate this Agreement any time prior to commencement of construction by delivering written notice to County that Developer was unable to obtain any required state or federal approval of the Proposed Development.

(a). The BoCC may, in its reasonable discretion, extend the term of this Agreement upon the following conditions:

1. Developer provides written notice of its desire for an extension to County prior to the expiration of the original term of this Agreement; and

2. Developer is not in default of this Agreement.

(b). When approved by the BoCC, the extension shall be granted in writing after:

1. notice of intention to amend the Agreement has been published as provided in NRS 278.0205; and

2. the BoCC has approved an ordinance approving the extension that includes:

i a statement of the justification for the extension; and

ii. the duration of the extension; and

iii. any further conditions agreed to by the BoCC and the applicant, which conditions may be incorporated by reference in the ordinance.

Expiration of this Agreement, or any extension thereof, shall not in any manner affect Developer's right to operate the Proposed Development, and shall not

rescind, modify or terminate any vested right in favor of Developer, as determined by Nevada law, to the extent that Developer has performed its obligations under this Agreement.

Permanent cessation of operations and decommissioning of the Proposed Development shall be done in compliance with all applicable state and federal permits and regulations.

In Witness Whereof, this Agreement has been executed by the parties on the day and year first above written.

COUNTY:

Board of County Commissioners

By: _____

Attest:

County Clerk

By: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

SUBSCRIBED AND SWORN TO before me on this _____ day of _____, 2018.

_____

Notary Public in and for said County and State

APPENDIX

EXHIBIT A

PLAN OF DEVELOPMENT

APPENDIX

EXHIBIT B

BLM LAND GRANT

APPENDIX

EXHIBIT C

SITE RESTORATION PLAN
&
SITE RECLAMATION PLAN

APPENDIX

EXHIBIT D

ACCESS ROUTES

APPENDIX

EXHIBIT E

YARD PLAN DRAWING

APPENDIX

EXHIBIT F

GRIDLIANCE BLM LAND GRANT

PLAN OF DEVELOPMENT

FOR THE

ADVANCED RAIL ENERGY STORAGE REGULATION ENERGY MANAGEMENT SYSTEM PROJECT

May 18, 2018

Submitted to:

Nye County, Nevada

Submitted by:

ARES Nevada, LLC

Updated May 2018

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Table of Contents

List of Figures

LIST OF ACRONYMS

ACCC	Aluminum Conductor Composite Core
ATV	All Terrain Vehicle
AREMA	American Railway Engineering & Maintenance-of-Way Association
ARES	Advanced Rail Energy Storage
BLM	Bureau of Land Management
CAISO	California Independent System Operator
ECN	Energy Communications Network
FWS	U. S. Fish and Wildlife Service
IEEE	Institute of Electrical and Electronics Engineers
IHHA	International Heavy Haul Association
kV	Kilovolt(s)
MOW	Maintenance-of-Way
MW	Megawatt(s)
MWH	Megawatt Hour
NDOT	Nevada Department of Transportation
NDOW	Nevada Department of Wildlife
NEPA	National Environmental Policy Act
OPGW	Optical Ground Wire
POD	Plan of Development
REM	Regulation Energy Management
ROW	Right-of-Way
RUS	Rural Utility Services
VEA	Valley Electric Association
WECC	Western Electricity Coordinating Council

1.0 INTRODUCTION

ARES Nevada, LLC (ARES) is submitting this updated Plan of Development (POD) to the County of Nye, Nevada for the construction, operation, and maintenance of a proposed Advanced Rail Energy Storage Regulation Energy Management (REM) project. This system is a gravity-based energy storage system utilizing electric shuttle trains operating on a single, steep-grade railroad track to store electric energy in the form of potential energy. The goal is to assist in electricity supply management on a regional electrical grid. The system accomplishes this by using electricity from the grid when electricity is abundant to power the locomotives uphill, then returning electricity to the grid when electricity is needed as the locomotives descend, their electric motors operating as generators. This system is designed to operate at greater than 80% efficiency for more than 30 years.

ARES proposes to locate this project in the Carpenter Canyon area, east of Pahrump, in Nye and Clark Counties, Nevada (see Figure 1). This project will access the regional electrical grid via a transmission interconnection line to an existing Gridliance 230 kilovolt (kV) transmission line. Figure 2 illustrates the alignment of the proposed project relative to Pahrump and Nevada State Highway 160. ARES will construct and operate the project in conformity with the approved POD that will be included as part of both ROW grants.

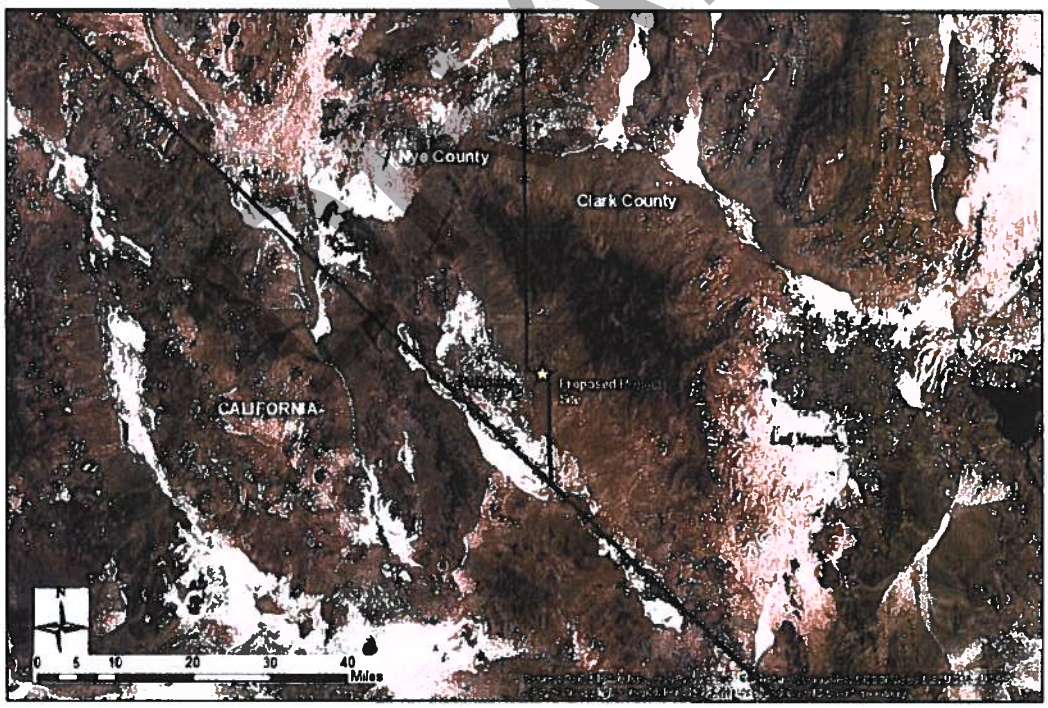


Figure 1. Proposed location of the ARES REM facility.

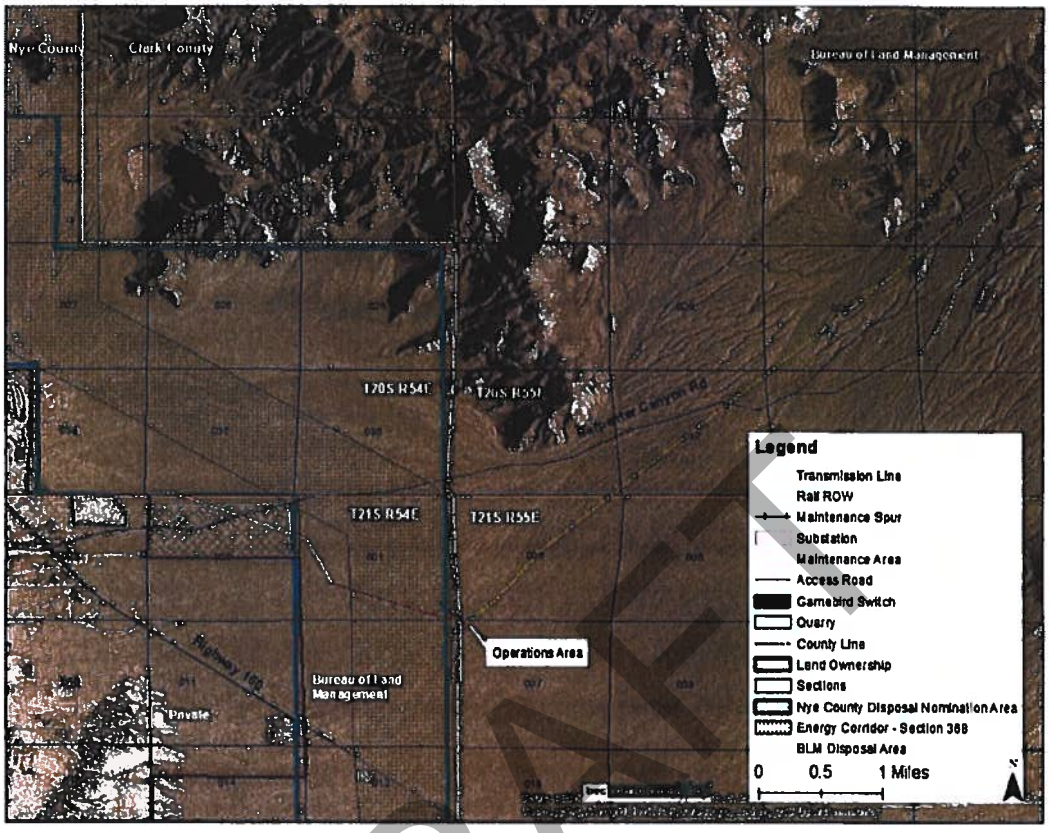


Figure 2. Proposed location of the ARES REM project ROW.

2.0 PROPOSED ACTION

The proposed action is to construct a 50 Megawatt (MW) capacity, gravity-based energy storage system on approximately 100 acres of BLM managed land east of Nevada State Highway 160, east of Pahrump, Nevada. The construction and operation of the project will provide 50 MW hours (MWH) of fast response energy storage, necessary to assist in the balancing of electrical daily and seasonal supply and demand, as well as assist in balancing the highly and unpredictably variable renewable energy expected to be connected to the transmission grid, increasing renewable energy penetration while maintaining grid reliability. The system operates on a closed low-friction automated steel rail line to transport weighted shuttle trains (electric locomotives and rail cars) between different elevations.

The upslope (northeast) end of ROW N-092514 (linear portions) will begin in Township 20 South, Range 55 East, Section 22. This ROW will run southwest (down-slope) and intersect an operations and maintenance area, ROW N- 094686, which would include a new substation (ARES Substation). A new 230kV transmission interconnection line, also part of ROW grant request N092514, will run northwest from the substation to connect with an existing Gridliance (N-057100) 230kV transmission line in Township 21 South, Range 54 East, Section 01.

2.1 Purpose and Need

The purpose of the proposed action is to assist in electricity supply management and transmission system stability and reliability on the regional electrical transmission grid. The system accomplishes this by using electricity from the transmission grid when electricity is abundant (e.g. low energy usage times) to power locomotives uphill. Electricity is returned to the transmission grid when needed (e.g. high usage times) as the locomotives descend, the electric braking motors operating as generators.

The operation of the project will provide 50 MWH of fast-response energy storage necessary to assist in the balancing of electrical supply and demand to counter highly variable energy usage and unpredictably variable renewable energy supplies, while maintaining grid reliability.

The system, as proposed, would have an energy return efficiency of greater than 80% and could increase the amount of renewable energy resources added to the electric grid without compromising grid efficiency, reliability, or requiring additional impacts to the environment.

2.2 Requested of the BLM

New land leases and ROWs were required for the proposed project. A grant for the use of up to 100 acres of federal lands administered by the BLM has been acquired (N-092514 and N-094686). No additional permanent access requirements are anticipated. No state or private lands will be accessed.

As a result of the proposed action, Gridliance will be required to upgrade the existing transmission line from where the ARES REM 230 kV interconnection meets the existing Gridliance 230kV transmission line and travels to a proposed adjacent Substation.

The proposed interconnection and access road cross through the West Wide Energy Corridor (Section 368). Approximately 1,615 feet of rail (spur line and the southern end of the main rail line) will also be located within the eastern edge of the Corridor. The facilities area (N-094686) will not be within the Corridor (see Figure 2).

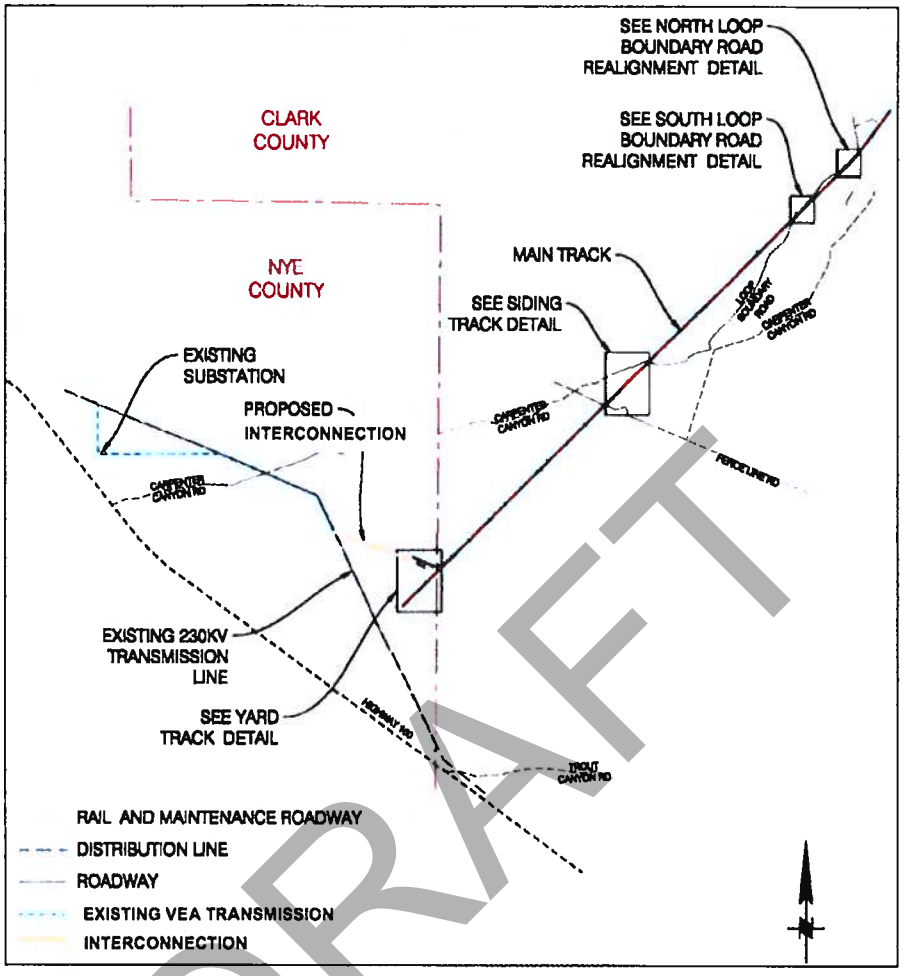


Figure 3. Proposed alignment overview.

2.3 Authorizations, Permits, Reviews and Approvals

ARES has achieved agreement with Gridliance, and is currently in the planning phase with Gridliance to develop an agreement to tie this project proposed Substation into the existing Gridliance 230kV Transmission Line.

Permits required and being pursued by ARES are listed in Table 1.

Table 1. Required Permits, Authorizations and Approvals

Action Requiring Permit	Permit/Approval	Accepting/Approving Agency	Reference
FEDERAL			
Project construction, operation, maintenance and abandonment	Right of Way (ROW) Grant	BLM	FLPMA 1976 (PL 94-579); 43 USC 1761-1771; 43 CFR 2800
National Environmental Policy Act compliance to grant ROW	Environmental Assessment	BLM	NEPA 42 USC 4321, CEQ 40 CFR Part 1500-1508
Potential direct or indirect impacts to federally listed Threatened and Endangered Species and/or habitat.	Endangered Species Act Section 7 Consultation with US Fish and Wildlife Service (USFWS) and Biological Assessment	USFWS	Endangered Species Act, Section 7(a)(2)
Construction sites with greater than five acres of land disturbance	General Permit for Storm Water Discharges from Construction Activities (Section 402 National Pollutant Discharge Elimination System	U.S. Environmental Protection Agency (USEPA)	Clean Water Act (33 USC 1342)
Potential pollutant discharge during construction, operation, maintenance activities	Spill Prevention Control and Countermeasure Plan	USEPA	Oil Pollution Act of 1991 (40 CFR 112)

STATE			
Potential disturbance of historic properties	Section 106 Consultation	State Historic Preservation Office	National Historic Preservation Act of 1966 (16 USC 470) (36 CFR 800)
Construction of a potential energy project	Energy Planning and Conservation Fund	NDOW	Nevada State Assembly Bill 307 (NRS 701.600 - 701.640)
Disturbance of wildlife and/or wildlife habitat for the entire project	Special Purpose Permit	NDOW	NRS 503.597 and applicable Nevada Administrative Code (NAC) Not specific to endangered species
Activity that will disturb one acre or greater, and will discharge storm water runoff from the construction site into a municipal separate storm water sewer system, or waters of the US.	NPDES General Stormwater Permit for Construction	Nevada Division of Environmental Protection (NDEP) Bureau of Water Pollution Control (BWPC)	33 USC 1318; 40 CFR 125.27; 40 CFR 122.26(b)(14)
Environmental issues related to the construction of utility facilities.	Utilities Environmental Protection Act (UEPA)	Nevada Public Utilities Commission	NRS 704.8905
CLARK COUNTY			
Initial introductions have been made; formal consultation with Clark County began September 2016			

NYE COUNTY			
Occupied building fire code compliance and worker safety	Fire Safety Compliance Certification	Pahrump Building and Safety (inter-local agreement with the Nevada State Fire Marshal's Office)	NRS 477
Occupancy of special flood zone designated areas	Flood Damage Prevention Permit	Nye County Planning Department	Nye County Code Chapter 15.12

2.4 Project Components

A spatial layout of the project components can be found in Figures 2 and 3.

Rail Line Corridor (N-092514): The rail line corridor will consist of a permanent linear ROW (N-092514) 5.5 miles long by 45 feet wide, for a total 40+ acres. Construction width for the corridor is expected to average 80 feet to accommodate cut/fill areas, for an additional 59.1 acres of temporary disturbance. The corridor includes the rail line, a track-side maintenance road, an electricity regulation system (parallel overhead catenary transmission line), a mid-slope spur rail to be used as a turnout, and drainage management features. Multiple 48-60 inch storm culverts (see Figure 4) will be installed at significant wash crossing encountered at the upper elevation. The size and shape of these culverts, as well as additional smaller culverts for minor storm flows and desert tortoise crossings will be designed in coordination with the US Fish and Wildlife Service and BLM.

Rail Vehicles: Shuttle trains, each comprised of two electric locomotives and four cars (see Figure 5), will ascend and descend the rail line at slow speeds (average 18.8 mph, but not more than 25 mph), to either take electricity off the grid (on the ascent), or supply electricity to the grid (on the descent). The movement will depend on the immediate electrical demands being placed on VEA by their customers and the transmission system operator, California Independent System Operator (CAISO). Some of the shuttle train cars will be filled with material from the site removed during construction to act as ballast weight. Concrete masses may be used if not enough cut material is collected from the site to fill all of the cars.

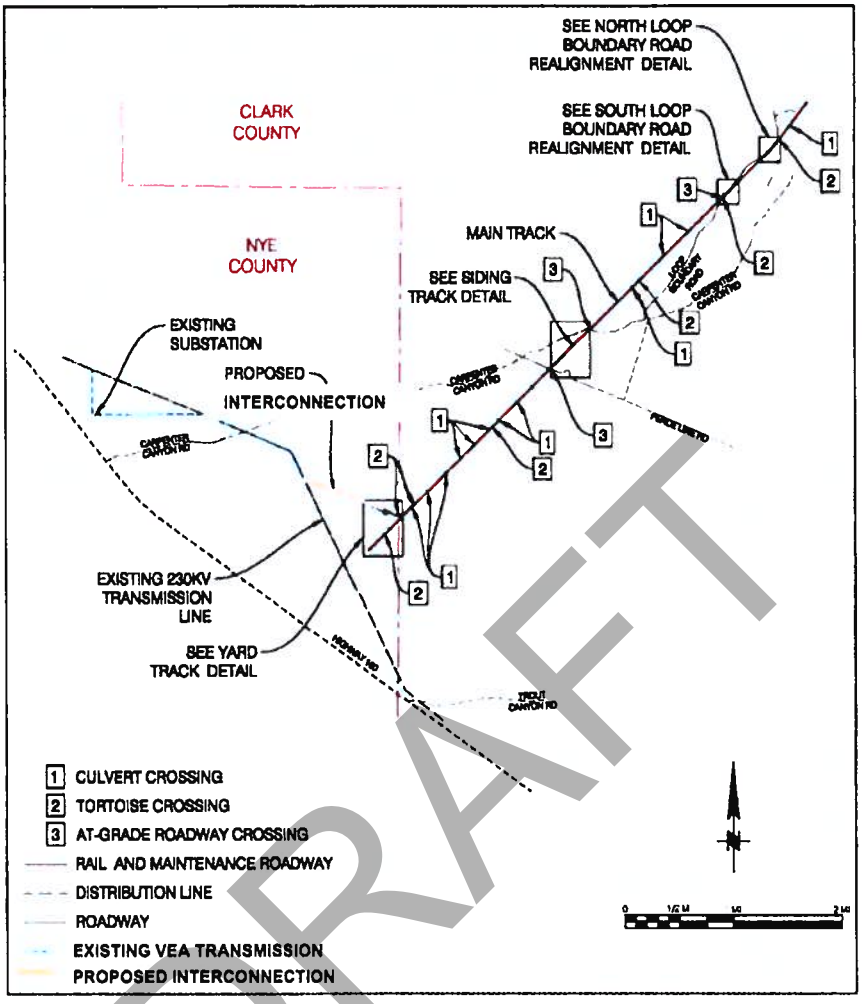


Figure 4. Culvert locations for the ARES project.

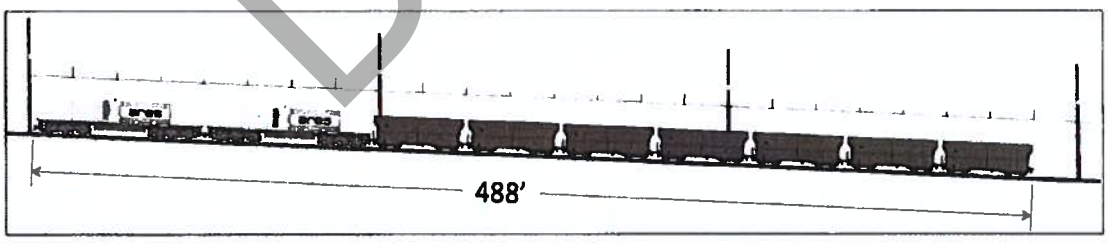


Figure 5. Artistic rendering of the proposed shuttle train and overhead catenary line.

Operations, Control and Maintenance Facility (O&M Facility – N-094686): A facility will be constructed at the southwestern end of the rail corridor to provide operations, control, and shuttle train maintenance support (see Figure 6). This area is approximately 125 feet at the widest point and 295 feet long (less than one acre). Temporary construction areas are expected to expand this area to 440 feet at the widest point and 595 feet long, approximately six acres. Included in this area is the interconnection

substation. This area will be approximately 0.6 acres (170 feet by 145 feet) and contain the substation and a small control building. Both the substation area and the O&M facility will be securely fenced.

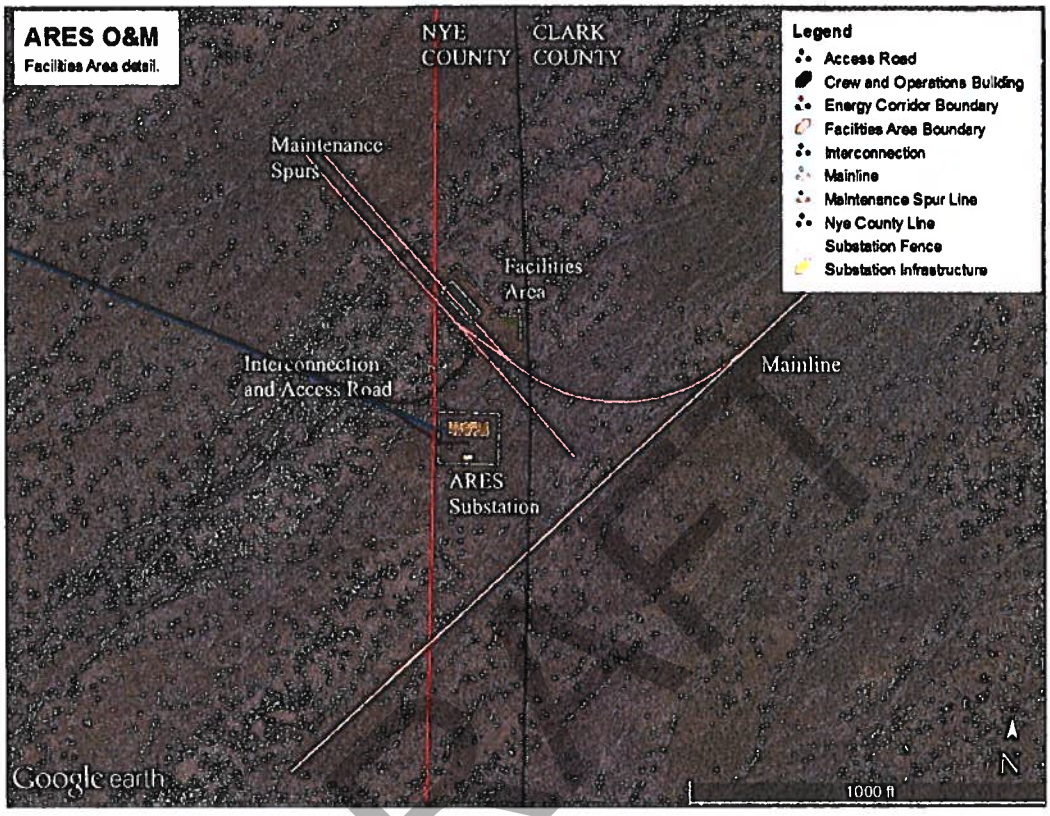


Figure 6. Detail showing O&M facilities area and ARES Substation.

Transmission Interconnection (N-092514): To connect the ARES project to the electric grid, a new 230 kV transmission interconnection will connect the ARES Substation to an existing Gridliance 230 kV transmission line (N-057100).

Access Road (N-092514): A new access road connecting the proposed ARES O&M Facility at the western end of the O&M facility with an existing Gridliance transmission maintenance road will be constructed, running parallel to the new interconnection. The ARES facilities and the new interconnection line will be accessed from this road during construction and operation phases of the project. All existing dirt roads used to access the site during construction will need to be upgraded to type II gravel roads, with drainage features, to accommodate construction vehicles.

Temporary Construction Areas: Laydown yards and other temporary ROW areas will be required and identified prior to the commencement of construction. These areas will be determined by the construction contractor.

The approximate dimension for each of these ROW components is listed in Table 2.

ARES is coordinating with Clark and Nye Counties to identify any required local permits, easements or dedications. Additional permits required by other local, state, and federal agencies are being investigated. ARES has set up an Energy Planning and Conservation Fund (Assembly Bill 307) with the Nevada Department of Wildlife (NDOW).

3.0 PROJECT DISTURBANCE

Table 2. Proposed Disturbance

Component	Length	Width		Acreage	
N-92514	miles	feet permanent (average)	feet temporary (average)	permanent	temporary
Rail Corridor	5.5	45	80	**31.2**	**59.1**
Interconnection and access road	0.71	100	N/A	**10.3**	**4.44**
N-94686	miles	feet permanent (average)	feet temporary (average)	permanent	temporary
Maintenance and Control Facilities	295	125	595x440	**0.8***	**6**
ARES Substation	170	145	N/A	**0.6***	N/A

*Acreage values are greater than actual footprint values as there is an overlap between the components in the linear right of way (N-92514) which enter or bisect the components included in the small site type right of way (N-94686), such as the maintenance spur rail entering the maintenance building.

4.0 COMPONENT DESCRIPTIONS

The following section provides additional information about the major components of the project. In some cases the details are yet to be developed and will be updated as development of the project progresses.

The two grants for the proposed project can be broken down into five components:

N-092514

1. The Rail Corridor with single rail line, shuttle trains, parallel road, drainage features, overhead (catenary) power line, and mid-grade siding or turnout rail.
2. A transmission interconnection to connect the ARES substation to the existing 230kV transmission line, and associated maintenance and project access road.

N-094686

3. Maintenance and control facilities.
4. ARES Substation.

The legal land description for each component is listed within each section below.

4.1 Rail Line Corridor and Vehicles

4.1.1 Single Track Rail Line Corridor

The rail line corridor will include the rail line, a maintenance road, overhead catenary line, drainage management features, and a mid-grade spur line. Remote monitoring of the rail corridor will be installed to protect and monitor the system for maintenance issues and from outside interference. The legal land description for the extent of the rail line corridor is included in Table 3.

Table 3. Rail Line Corridor Legal Land Description

Township and Range	Section Number	Aliquot Part
T. 21 S, R. 54 E.	1	SE ¼ of SE ¼
T. 21 S, R. 54 E.	12	NE ¼ of NE ¼
T. 21 S., R. 55 E.	7	NW ¼ of NW ¼
T. 21 S., R. 55 E.	6	NE ¼, SW ¼
T. 20 S., R. 55 E.	31	SE ¼ of SE ¼
T. 20 S., R. 55 E.	32	NE ¼, SW ¼
T. 20 S., R. 55 E.	33	NW ¼ of NW ¼
T. 20 S., R. 55 E.	28	NE ¼, NW ¼ of SE ¼, SW ¼
T. 20 S., R. 55 E.	27	NW ¼ of NW ¼
T. 20 S., R. 55 E.	22	SW ¼ of NE ¼, NW ¼ of SE ¼, NE ¼ of SW ¼, S ½ of SW ¼

The exact length of the rail line will be determined after geotechnical site surveys are completed and engineering designs are refined, but is anticipated to be 5.5 miles, as indicated in the above figures and tables. The elevation differential will be approximately 2,000 feet, providing an average rail grade of 7%. The permanent width of this portion of the ROW will be approximately 75 feet to accommodate all components. Temporary construction disturbances will expand the rail corridor to 100 feet in some areas (included in the ROW request) to accommodate areas of necessary cut and fill (see Figure 7). The rail system will consist of 136 pound steel rails mounted on steel tensioned concrete rail ties, supported by track ballast comprised of three inch crushed granite or equivalent wear resistant rock. An overhead catenary line, running above the shuttle trains, will be constructed as per ARES final electrical design specification. The transmission poles utilized to support the overhead catenary line will be steel.

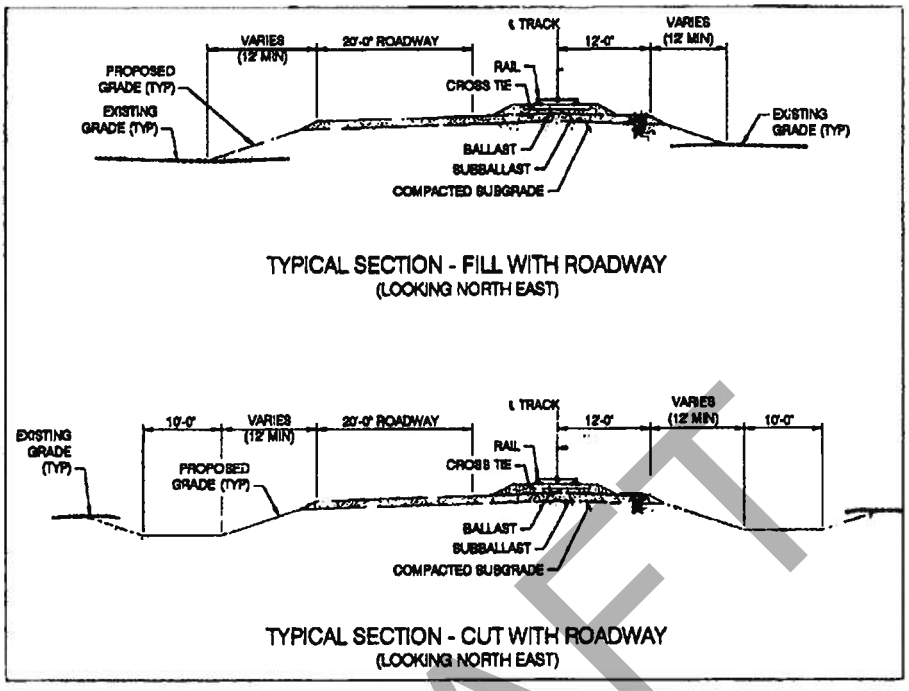


Figure 7. Typical road and rail cut and fill section (temporary disturbance) for the ARES project.

In order to not impede stormwater flows from the Spring Mountains, as many as 12 culverts will be installed under the rail line. The exact dimensions of the culverts will be determined during engineering design discussions with the US Fish and Wildlife Service and BLM; typical culvert cross sections are shown in Figures 8 and 9.

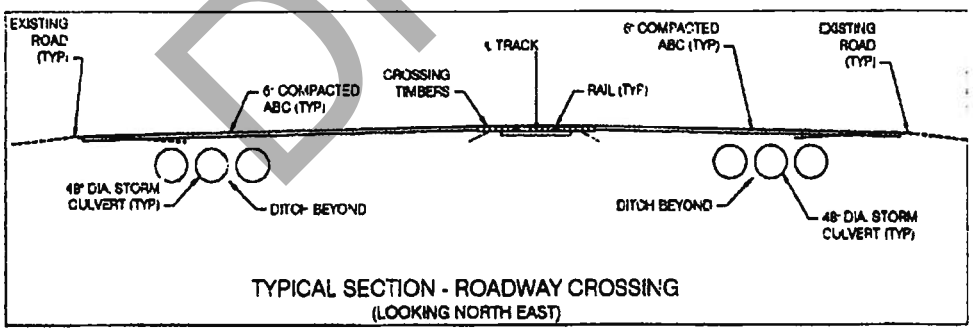


Figure 8. Typical cross section, looking side-long at the rail, for rail corridor areas including 48 inch culverts.

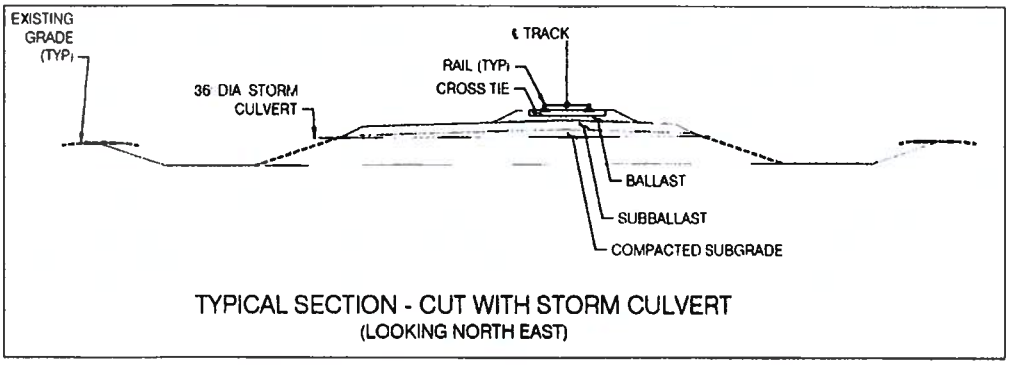


Figure 9. Typical cross section, looking straight along the rail, for rail corridor areas including storm culverts.

Standard rail crossings will be installed where the rail line crosses dirt roads to maintain access to public lands. Crossings (see Figure 3) will include signage, but not lighting. To further improve public safety by minimizing track crossings, Loop Boundary Road, which would cross the rail corridor in multiple locations at the northeast end of the corridor, will be rerouted to reduce the necessary crossings from three to one (see Figures 10 and 11).

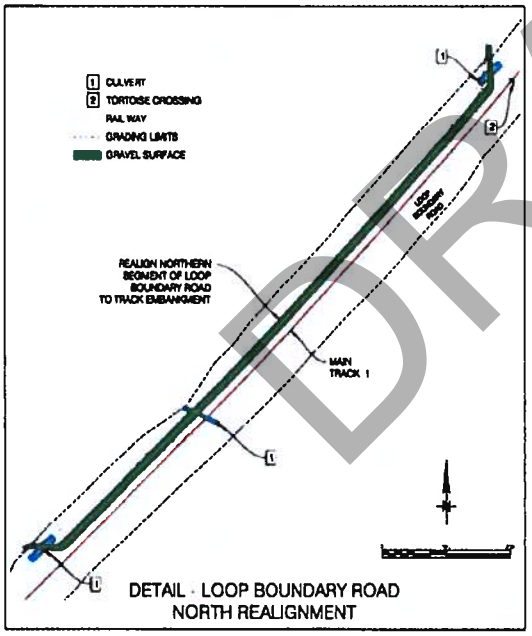


Figure 10. North realignment detail of Loop Boundary Road.

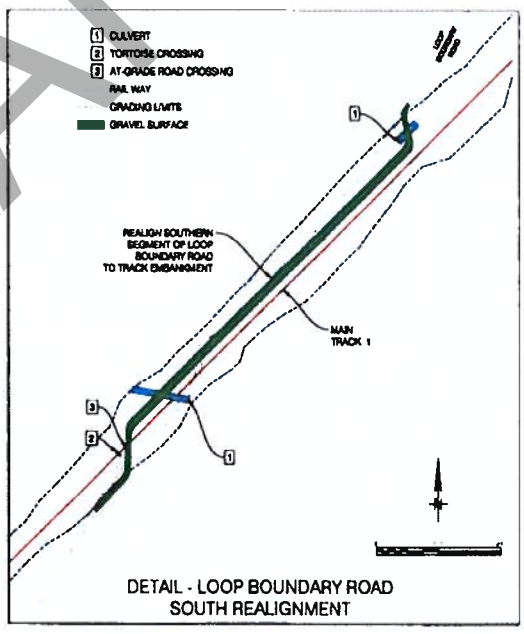


Figure 11. South realignment detail of Loop Boundary Road.

Movement of most wildlife (i.e. wild horses, burros, reptiles, rodents, birds, etc.) is not expected to be impeded by the rail line or associated components. The desert tortoise, however, may encounter issues crossing the rails. For this reason, tortoise crossings will be included in the design of the rail line. Besides

the road crossings, there will be areas where the embankment will be built up and a 'bridge' installed between the two rails, to allow a tortoise to cross to rail line. Should a tortoise fall from the 'bridge,' tortoise escape passages will be installed in multiple locations to allow the tortoise to exit from between the rails (see Figure 12).

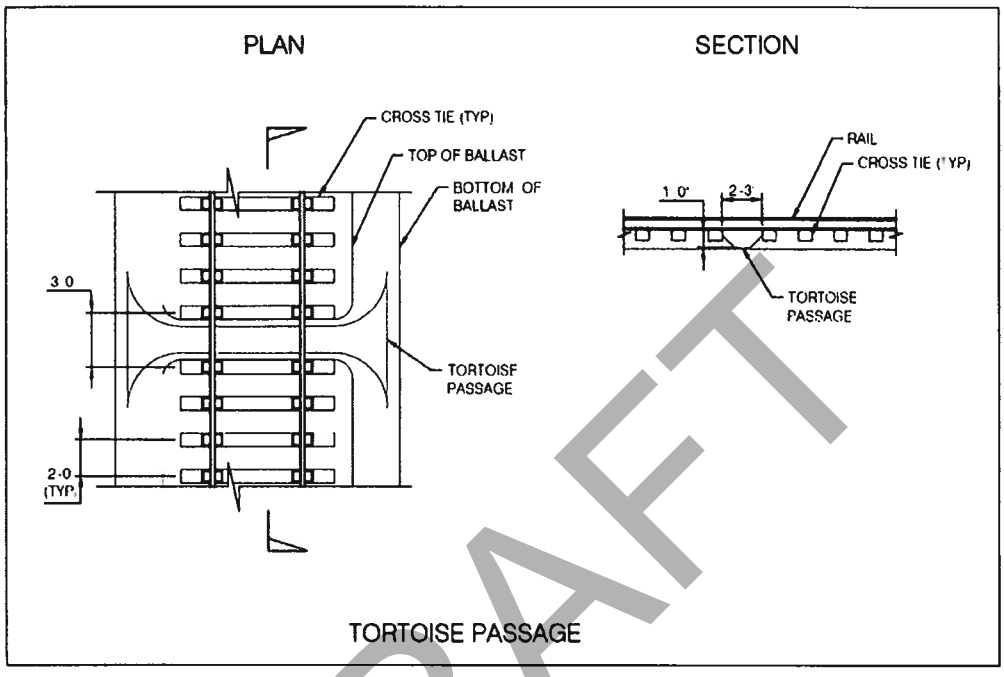


Figure 12. Proposed tortoise escape passages from between the rails.

A rail line siding, or spur line, to allow shuttle cars to be re-sequenced on the main rail line, will be included. The siding rail will be located between the existing fence line road and Carpenter Canyon Road, and be approximately 960 feet in length (see Figures 13 and 14).

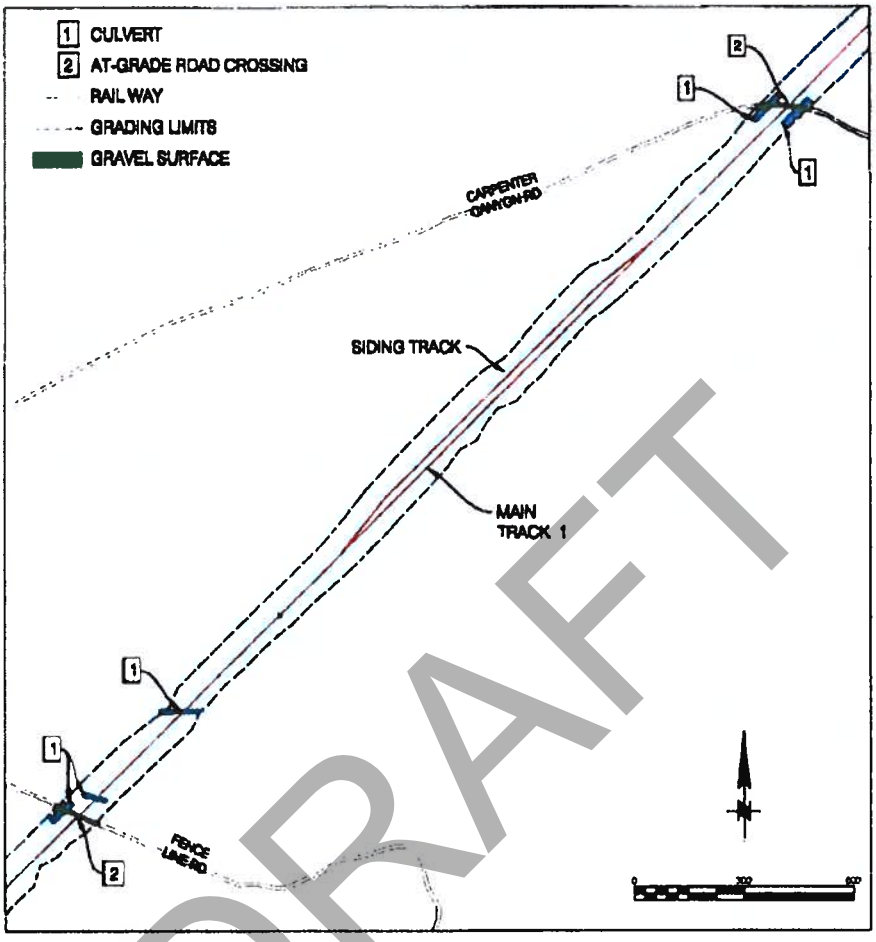


Figure 13. Detail of the rail corridor siding.

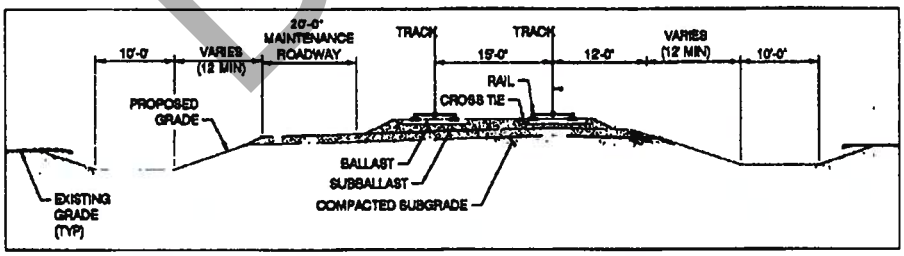


Figure 14. Typical section detailing the cut and fill for the rail siding.

The catenary power distribution line (see Figure 15) will be designed in accordance with the published standards of the Rural Utility Services (RUS) as a Distribution System. The system is expected to consist of steel poles no taller than 36 feet, spaced at approximately 150 foot intervals, carrying 2-wire 24.9kV circuits in a wishbone cross arm configuration supporting two - 954 Aluminum Conductor

Composite Core (ACCC) wires as well as an optical ground wire (OPGW) for facilities communication requirements. Span lengths will vary in areas presenting terrain restrictions. The power distribution poles will be wood with brown fiberglass cross arms supporting ACCC wire.

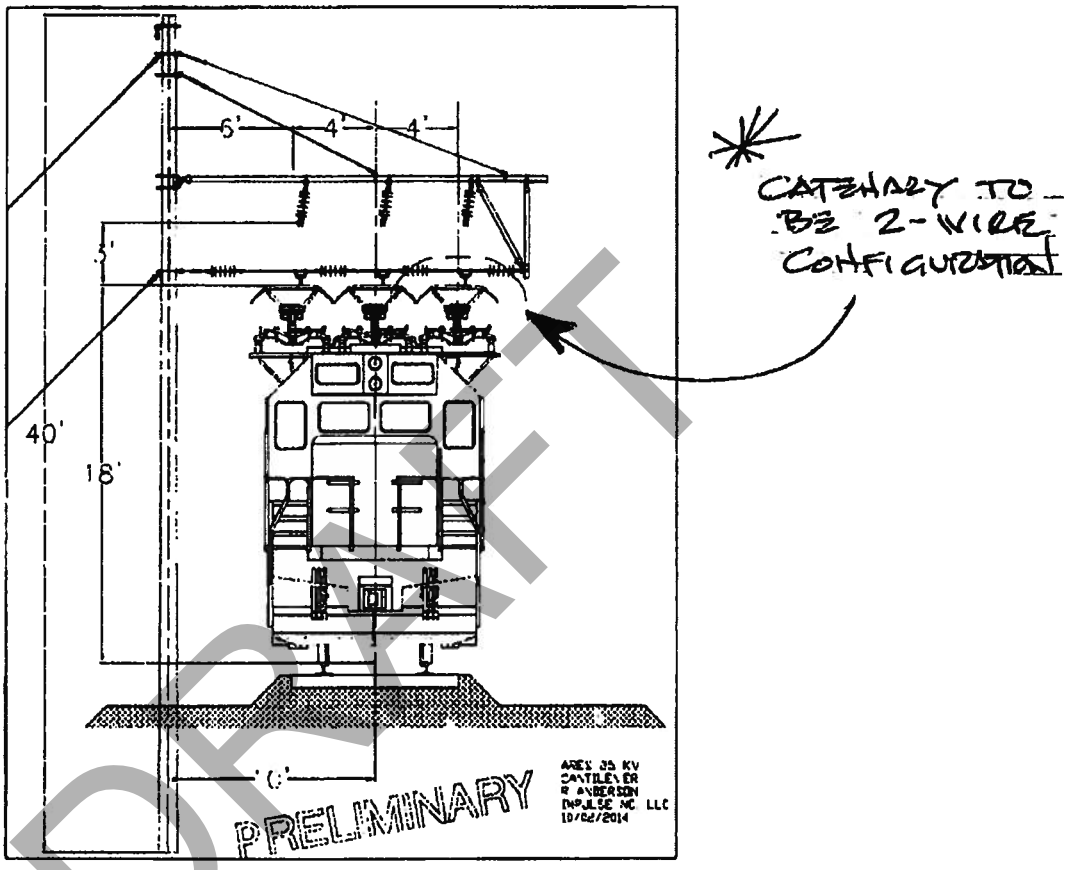


Figure 15. Preliminary design of the catenary power distribution line.

The design, construction, operation and maintenance of the overhead catenary line will meet or exceed the requirements of the National Electrical Safety Code (NESC), U.S. Department of Labor, Occupational Safety and Health Standards and ARES's requirements for safety.

4.1.2 Rail Line Vehicles

Approximately seven shuttle-trains will be located on the single track. Each shuttle-train will be comprised of two electric locomotives weighing approximately 220 tons each and four cars with a weighted load of salvaged soil or concrete, weighing approximately 150 tons each. The shuttles are propelled by high-efficiency regenerative traction drive motors mounted on rail-car chassis. The facility will be compliant with Institute of Electrical and Electronics Engineers (IEEE) 519 generation equipment standards.

* Text revised

Rapid detection and remediation of failures via redundant speed, location, thermal, visual, and vibration sensors, will operate on each shuttle for safety control. Each locomotive will have three redundant breaking systems.

Although each shuttle has the potential to reach 25 miles per hour, the average speed for each will be 18.8 miles per hour.

4.2 Maintenance, Control, and Support Facilities

Operations, control, and maintenance facilities (N-094686) will be constructed in an area perpendicular to the southwestern end of the rail corridor to provide operational support, vehicle control, and shuttle train maintenance facilities. This area will be approximately 125 feet by 295 feet, less than one acre, and 440 feet by 595 feet during construction (less than seven acres of total disturbance). Specific components will include a Project Operations Facility, Control Facility, Maintenance Facility, parking area, a spur storage rail, and potentially a construction lay-down yard and construction staging area (see Figures 16, 17, and 18). A step-down substation (ARES Substation) will also be located here. The substation will require an area of approximately 170 feet by 145 feet, or 0.6 acres. Table 4 contains the legal land description for the facilities location.

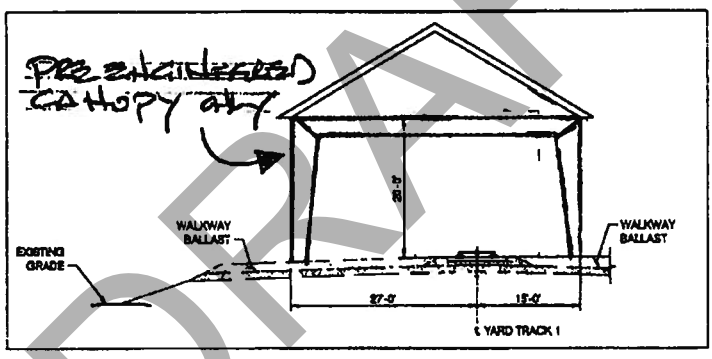


Figure 16. Elevation view of the rail car maintenance building.

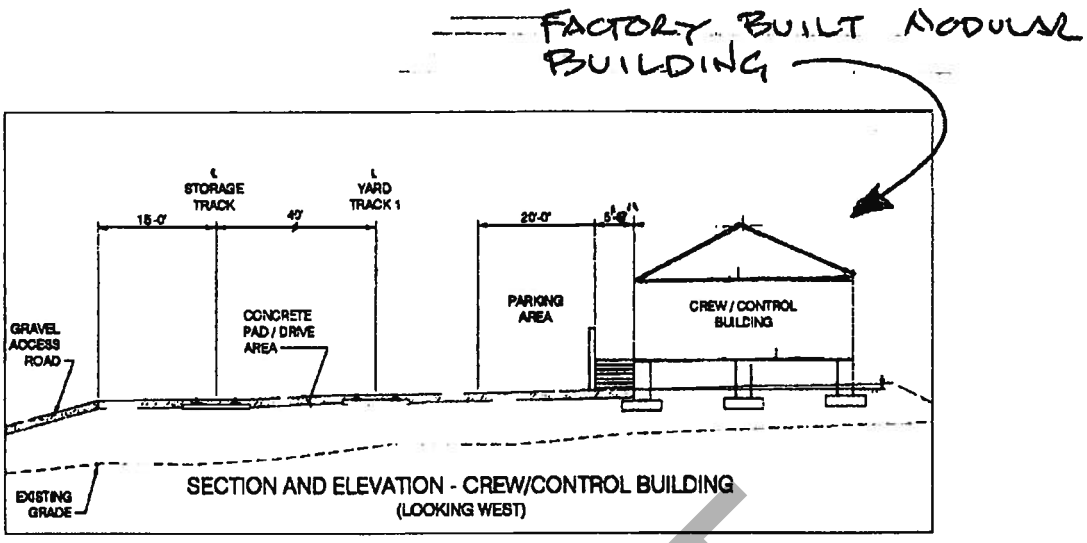


Figure 17. Elevation view of the control facilities and crew building.

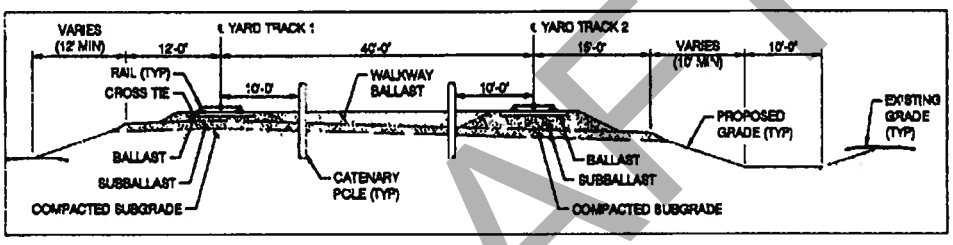


Figure 18. Typical track cut and fill section of the maintenance yard.

The control facilities will have the equipment necessary to respond to grid requirements by controlling the speed and number of shuttles in motion.

ARES will also provide additional administrative offices for project support staff off-site in Pahrump, Nevada. Office space would be leased from existing commercial office space in Pahrump. No other future on or off public land components are envisioned.

Communication facilities needed to integrate the ARES REM system into the Gridliance transmission system and the CAISO grid will require access to a T1 Energy Communications Network (ECN – for Internet services) Circuit and dedicated telephone line which are anticipated to be co-located with an Optical Ground Wire (OPGW) on the transmission interconnection line. Additional details of the communication system are currently being developed.

ARES will install a remote monitoring system at the facility to monitor the rail line and potentially the tortoise crossings, as well as provide an on-site security officer to monitor the support facilities 24 hours a day, 365 days a year.

Table 4. Operation, Control, and Maintenance Facilities Legal Land Description

Township and Range	Section	Aliquot Part
T. 21 South, R. 54 East – *maintenance and control buildings*	01	SE ¼ of the SE ¼, of the SE ¼.
T. 21 South, R. 54 East *ARES substation*	12	NE ¼ of the NE ¼, of the NE ¼.

4.3 Transmission Interconnection

A single circuit 230 kV interconnection will run from the new ARES Substation at the down-slope (southwest) end of the ROW to the existing Gridlinace 230kV transmission line. This component will be 100 feet wide and approximately 2,100 feet long. The interconnection would then connect with the existing Gridliance 230kV transmission line. Co-located with the interconnection, and included within the noted acreage, will be a maintenance road which will also act as the O&M area access road. Table 5 includes the legal land description for the interconnection and access road.

Table 5. Transmission Interconnection Line Legal Land Description

Township and Range	Section Number	Aliquot Part
New Interconnection, ARES Substation to Existing VEA 230 kV Transmission		
T. 21 South, R. 54 East	12	Running northwest from the NE ¼ of the NE ¼, of the NE ¼, through
T. 21 South, R. 54 East	01	S ½ of the SE ¼ of the SE ¼, SW ¼ of the SE ¼, N ½ of the SE ¼ of the SW ¼, to the SE ¼ of the NW ¼ of the SW ¼.

The design, construction, operation and maintenance of the 230kV interconnection line will meet or exceed the requirements of the NESC, U.S. Department of Labor, Occupational Safety and Health Standards and ARES's requirements for safety.

4.4 Project Access Roads

4.4.1 Interconnection Access

Existing roads (transmission line maintenance access) will need to be upgraded to provide access for project construction and operation, as well as a new route constructed to provide access from the existing transmission line maintenance access roads to the proposed O&M facilities area. This new road would be co-located with the transmission interconnection.

4.4.2 Rail Corridor Access

The preferred access route would follow the interconnection transmission access road from the southwest terminus of the rail line corridor to intersect the existing Gridliance 230kV transmission line access road (see Figure 4). It would then turn to travel along the existing transmission maintenance road for

approximately 7,500' and connect to Chromium Boulevard, which has an established intersection with Nevada State Highway 160 via Crazy Horse Street.

5.0 PROJECT CONSTRUCTION, OPERATION, AND MAINTENANCE

Section five generally describes the activities anticipated to occur before and during project construction and throughout operation and maintenance of the project. Mitigation measures and lease agreement stipulations (BLM Decision Record) developed in cooperation with the BLM will be included as Appendix A, and will be incorporated as part of the standard operating procedures.

5.1 Preconstruction Activities

5.1.1 Land Surveys

Multiple exploratory and environmental analysis surveys were conducted by ARES and their contractors from 2014 thru 5/2018. These surveys included botanical surveys, desert tortoise presence/absence surveys, preliminary no impact initial alignment measurements, and site visits by potential construction contractors and Nevada Department of Transportation and Public Utilities Commission of Nevada representatives.

5.1.2 Aerial Surveys

In July 2014, an aerial survey of the proposed alignment was conducted in order to develop a more refined alignment and aid in the development of the initial engineering drawings.

5.1.3 Engineering Surveys

The BLM National Environmental Policy Act (NEPA) process determined the preferred alignment for the project. Preliminary surveys and other investigations have been completed, and on-the-ground investigations will be completed to accurately locate the centerline of the ROW within the selected alternative. The exact centerline has been chosen to best implement design criteria, minimize environmental impacts, and satisfy the mitigation measures in the NEPA compliance document to be developed. Detailed surveying and final design drawings are being developed. Required permits to conduct surveys on federal lands have been obtained. ARES has conducted engineering site surveys in consultation with rail design civil engineering consultants Railpros and Atkins. These more precise and detailed surveys conducted after the NEPA established exact project centerline, locations of drainage features, and address soil and geotechnical considerations of hydrology and hydraulics, critical drainage areas, climate induced track stability issues, and the anticipated Carpenter Canyon Road crossing.

Prior to construction, the ROW and temporary access roads for construction and maintenance of the interconnection and ARES Substation will be surveyed to locate the centerlines accurately. Additional ground-based land surveys will be required including structure location (structure staking) surveying, and

access road layout. Structure locations will be flagged and staked, and the proposed centerlines will be flagged and staked where needed.

5.1.4 Cultural Resource Surveys

A Class III cultural survey was conducted during the period November 4 – 8, 2014. The purpose of the cultural resources survey was to locate, document, and evaluate archaeological resources located within the area of potential effects for both routes that could potentially be impacted by the proposed project.

Prior to conducting fieldwork, a Class I records search and review was conducted through the Southern Nevada Archaeological Archive of the Desert Research Institute. Sixteen cultural resources projects have been conducted within one mile of the proposed project area. Six previously recorded archaeological sites have been documented within one mile of the project area; however, none of the sites are located within the project's area of potential effect.

The archaeological survey failed to yield any cultural materials.

5.1.5 Biological Surveys

The Mojave desert tortoise will require special consideration in consultation with BLM, NDOW, and U.S. Fish and Wildlife Service (FWS). Specific mitigation measures for biological resources will be developed as part of the environmental evaluation. If necessary, additional surveys or Section 7 consultation will be supported through the BLM during the NEPA process. Desert tortoise surveys were conducted along the entire proposed ROW in May, September, and October of 2014. One live tortoise was observed, and multiple burrows were identified.

As requested by the BLM, disturbance of special status plants (e.g. cacti, yucca, etc.) will be avoided during construction to the extent possible. If requested by the BLM, native plants requiring special protections will be flagged in areas of potential surface disturbance prior to construction. Native plant surveys were conducted for the entire proposed ROW during the period April 27 – May 25, 2014. Per Nevada Revised Statutes, potentially impacted yucca and cacti will be mitigated for according to current BLM and/or Nevada Division of Forestry requirements. All other vegetation removed during construction will be disposed of in accordance with BLM guidelines.

5.1.6 Interconnection Geotechnical Investigation

Geotechnical investigation will be completed for the interconnection and ARES Substation. The purpose of the geotechnical investigation is to collect information regarding subsurface stability and soil resistivity, which will be used in the final design of each transmission tower structure and foundation, and used in design of the grounding system for both the transmission line and substations. The geotechnical investigation will consist of the drilling and sampling of soils to a typical depth of 25 to 50 feet below the existing ground surface. The boreholes will have a diameter of approximately eight inches and will be backfilled with auger cuttings and on-site soils. Each location will be accessed using existing roads and the same access routes that will be used for construction of the ARES Substation. Surface disturbance will be limited to the actual tracks left by the drill rig and support vehicles within the work areas and access

routes. All areas on BLM lands that are disturbed by geotechnical testing activities were restored per BLM guidance after construction of the interconnection and ARES Substation has been completed.

5.2 Rail Corridor Construction Activities

Construction will involve earth moving, drainage provisions, and placement of materials typical of service roadway and railway alignment construction, and the construction of operations buildings, power transmission line, and rail line. The railway track roadbed, track, overhead catenary, and parallel service road will be built simultaneously. Detailed site plans have not yet been completed; therefore, figures are currently estimates based on initial preliminary site plans. Preliminary site plans will be developed once initial centerline surveys have been completed. Detailed site plans are currently being developed.

Typical materials include Type 2 road gravel, concrete, asphalt and crushed ballast stone, to be obtained from commercial sources using existing, permitted sources.

5.3 Interconnection Transmission Line Construction

Construction of the interconnection line involves augering holes, pouring concrete or Type 2 foundations, erecting poles, installing insulators and hardware, stringing wire, installation of OPGW, testing and commissioning; the construction equipment required may include pickup trucks, bucket trucks, augers, cranes, pole trailers, wire trailers, all terrain vehicles (ATVs), concrete trucks, flat bed trucks, excavators, loaders, dozers, cranes, backhoe, wire-stringing trailers, water trucks.

Construction of the ARES Substation would include site grading, installation of a fence with access gates around the perimeter of the station, ground mat installation below grade, and application of gravel. The outdoor electrical equipment to be installed includes circuit breakers, switches, transformers and instrument transformers, electrical bus work, steel support structures, foundations, oil containment for the transformer, insulators, wiring and installation of a control building. Within the building protective relaying and control equipment, batteries, communication devices and fiber termination equipment would be installed. The construction equipment required may include similar equipment needed for construction of the 230 kV transmission line.

5.4 Interconnection Construction Access

Buildings will require normal foundation preparation, pouring of slab and footers, and erection of pre-fabricated steel buildings, using lifts, cranes, and fork trucks.

Temporary use areas inside the ROW such as temporary parking and construction lay-down yard(s) will be determined at a later date and will be provided by the construction contractor. No additional laydown yards outside the proposed ROW are anticipated.

The total workforce is dependent on scheduling, but a reasonable estimate if all construction activities occur simultaneously is 100 to 125 workers present at the jobsite. Temporary parking required for

construction workers will be identified within the ROW, with the assistance of the construction contractor.

The clearing and grading plan has not yet been developed as it will depend on the detailed site development plans are being developed by Railpros, Atkins and HDR, and will follow the normal, approved BLM, Nye County, Clark County, and Nevada Division of Environmental Protection requirements regarding runoff, potential pollution issues, and disposal sites and methods. Engineering plans, as required by BLM, the Army Corps of Engineers, and others, will be developed by ARES. Grading will be minimized where possible to reduce mitigation requirements.

5.4.1 Materials

Sand, gravel and other materials generated from cut and fill activities within the project will be used for road construction to the extent possible. All necessary materials not collected from the site will be purchased from a permitted commercial source. Rail roadbed ballast and road material sourcing is still subject to engineering specification and procurement standards review.

5.4.2 Project Access Roads

Rail line and interconnection construction requires the movement of vehicles along the ROW. For the proposed project, existing access roads will be utilized whenever possible, although new access road construction will be necessary, as detailed in Section 3.0 Component Descriptions. Upon completion of construction, all access roads with the sole purpose of construction access will be reclaimed according to current BLM standards.

Site access and maintenance roads will be surfaced with Type 2 Gravel and constructed in accordance with Clark and Nye County requirements for Type 2 Gravel Road construction, dependent upon the type and number of anticipated construction vehicles necessary for completion of the project. Permitted commercial vendors will supply the materials for roadbeds. Mitigation measures to reduce impacts during construction and use will be implemented, as detailed in Appendix A. The maximum grade of the access road will be 8%. Requirements and general locations of drainage ditches and culverts will be determined during initial engineering site surveys to be evaluated and surveyed during the NEPA review process. Subsequent design drawings will be develop after NEPA evaluation and detailed engineering surveys.

To the extent that on-site native soil and rock from cut activities is not acceptable for use as crushed three inch rail roadbed ballast or Type 2 gravel road building aggregates, this material will be trucked in from existing permitted vendors in Nye, Clark or San Bernardino County.

5.4.3 Rail Line

The railway infrastructure will adhere to minimum standards per the Recommended Practices in the American Railway Engineering & Maintenance-of-Way Association (AREMA) Manual of Railway Engineering (latest); the maximum engineering standards will be based on those recommended in the publication "Guidelines to Best Practices for Heavy Haul Railway Operations - Infrastructure Construction and Maintenance Issues," published in 2009 by the International Heavy Haul Association

(IIHA). ARES also expects to adopt promising practices presently under test at the American Association of Railroad's Transportation Test Center, Inc., Pueblo, Colorado, related to rail and ballast/subgrade life. These improved practices are not as yet codified in any of the current published standards and/or recommended practices. The order of construction generally is:

- Prepare roadbed, spread base ballast (ballast spreader machine).
- Distribute and space ties (tie distributing).
- Weld and thread rail onto ties (rail threader, welding machine).
- Clip rail (clip applicator machines).
- Install turnouts (cranes).
- Spread additional ballast (special trailer and dump trucks).
- Raise transmission line and tamp the track (ballast tamping and dressing machines).
- Install third rail (trackside power distribution line) and brackets or overhead catenary lines, connect power wires.

Track construction uses common construction equipment such as boom trucks, low-bed trucks, high-lifts, rubber-tired loaders, rubber-tired hydraulic cranes, and dozers, plus specialized equipment such as tie distributing spreaders, rail threaders, a portable rail welding machine, and tamping and ballast handling/dressing equipment.

The existing native topsoil will be moved and/or removed, with heavy equipment such as bulldozers, loaders and excavators, and stored for future use in the restoration of disturbed areas. Much of the remainder of this material will be recycled as road topping, parking lot surface, and fill. Topsoil will be salvaged for reclamation activities occurring at a later date. Groundwater interactions are not expected due to the depth of the water table in this area, and will be confirmed through geotechnical surveys.

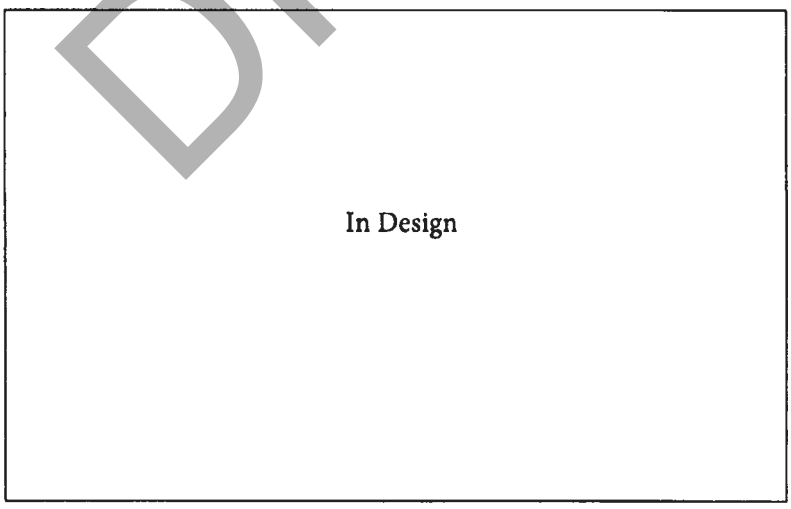


Figure 19. Conceptual plan for a standard railway roadbed.

5.4.4 Catenary Power Distribution Line

Surveying and routing of the rail line and support structures for the overhead power distribution line will assist in identifying any areas of poor soil stability. If soil conditions are unsuitable for installation of poles at specified locations, ARES's contractor will notify the Project Engineer and the BLM of the conditions present, in this condition Catebnary Poles may require casing or foundations.

At each structure site, areas will be needed to stage and facilitate the operation of equipment. A temporary construction disturbance area may be necessary within the proposed ROW. Excavations for poles will be made with power equipment. Where the soil conditions permit, a vehicle-mounted power auger or backhoe will be used. If necessary, the foundation holes may be excavated by drilling. After the hole is augered, poles will be set, backfilled, and tamped using existing soils or gravel as determined by GeoTech. Remaining soils and salvaged topsoil will be spread on the ground, and BLM approved reclamation activities will be conducted. Tower and foundation materials will be determined based on final design specifications. Materials will likely consist of gravel or concrete. Alternatively, depending on final design, no foundation may be necessary.

5.4.5 Building and Support Facilities

The Maintenance structure will be pre-fabricated steel frame building (Roof Only) and the Control Building will be a "Modular" building delivered to the site and located on reinforced concrete slabs. The clearing of natural vegetation will be required. Topsoil will be salvaged for future reclamation activities; unused topsoil will be disposed of as required. Selective clearing will be performed where necessary for electrical clearance, line reliability, and construction and maintenance operations. The ROW will not be chemically treated unless necessary to comply with requirements of a permitting agency.

A step-down substation (ARES Substation) will be located within this component of the ROW. Additional miscellaneous support service locations, including potable water, wastewater, outside lighting, emergency power, fire prevention measures, parking facilities, and storm drains will be detailed in subsequent updates to this POD to allow for NEPA review, and refined during the detailed site engineering survey stage. Outdoor lighting will be directed downwards to the extent possible to minimize the impact on dark skies while still meeting site safety requirements.

5.4.6 Cleanup

Construction sites, material storage yards, and access roads will be kept in an orderly condition throughout the construction period. Refuse and trash, including stakes and flags, will be removed from the sites and disposed of in an approved manner. No construction equipment oil or fuel will be drained on the ground. Oils or chemicals will be hauled to an approved site for disposal. No open burning of construction trash will occur on BLM managed lands.

5.5 Operation and Maintenance

It is anticipated that the facility will be staffed seven days a week, 24 hours a day, for the duration of the project, possibly up to 30 years. Weekday day shifts would be staffed by five personnel including a control/operator, a security officer, a general manager, maintenance workers and administrative worker.

During the night, graveyard, and weekends, shifts may be staffed by up to three personnel including a control/operator and a security officer.

Inspection and maintenance schedules will be developed by the Maintenance Manager who, with their staff, will base the schedules necessary for the various elements of the operating system and on the recommendation of the various manufacturers and suppliers of the equipment, and best practices recommended by organizations such as the American Railway Engineering and Maintenance-of-Way Association, IHHA, American Association of State Highway and Transportation Officials, NDOT, Electric Utility Distributers Association, Institute of Electrical and Electronics Engineers, etc.

The track and roadway will be inspected daily, possibly employing robotic equipment that can work 24 hours a day, seven days a week, without direct manual control. The inspection criteria will be, at a minimum, based on Title 49 CRF 213 Track Safety Standards as published in the Federal Register (latest), supplemented by recommendations of the IHHA and in-house developed criteria based on best practices from a world-wide network of specialized, heavy-haul railroad operations. There will be an internal process for automatic evaluation of inspection results data, tied into a system to generate work orders that will direct the Maintenance of Way (MOW) Department to repair or replace any defective guideway elements. The MOW Department will operate on a proactive basis to minimize the possibility of guideway components slipping below the State of Good Repair, by grinding rail, correcting surface anomalies, ultrasound testing of rail, etc., based on the inspection data and a planning forecast program that prevents any serious exceptions from developing.

Rail vehicle inspection processes and procedures will be provided by the shuttle vehicle component manufacturers.

As part of standard operating procedures, standard mitigation measures (Appendix A) will be implemented throughout the construction and operation of the project in order to reduce potential adverse environmental impacts. Most of the impacts are short term and generally occur during the construction period. Project design and implementation of site-specific or selectively recommended mitigation measures will minimize the effect of the project where the potential for long-term adverse impacts may occur.

5.6 Reclamation

At the end of project life, all structures will be removed by ARES and disposed of using current standards for demolition and disposal in Nevada. Railways will be completely removed and the land reclaimed according to current agency requirements, including but not limited to BLM standards. The disturbed surfaces will be restored to the original contour of the land surface to the extent determined by the BLM. Appropriate site-specific seed mixes will be used where conditions vary. Salvaged native plants will be used for revegetation, if appropriate, along with seeding using BLM-recommended seed mixes. All materials will be stored and disposed of in an approved manner.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Southern Nevada District Office
Las Vegas Field Office
4701 N. Torrey Pines Drive
Las Vegas, Nevada 89130
http://www.blm.gov/nv/st/en.html

In Reply Refer To:
N-92514 and N-92514-01
2800 (NVS01000)

MAY 1 2 2016

CERTIFIED MAIL — RETURN RECEIPT REQUESTED

DECISION

Advanced Rail Energy Storage, LLC :
Mr. James Kelly : Right-of-Way
854 Jimeno Road :
Santa Barbera, California 93103 :

Right-of-Way Issued
Rental Determined

Enclosed is a copy of right-of-ways (ROW) N-92514 and N-92514-01, which have been approved by the Bureau of Land Management. The rental for the linear ROW and the short term ROW are determined according to regulations found in 43 CFR 2806.23. Rental has been received for both ROWs, and noted to our records.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 43 CFR 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

EXHIBIT "A"
APPENDIX
"4"
DEVELOPMENT
AGREEMENT

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

(1) The relative harm to the parties if the stay is granted or denied,

(2) The likelihood of the appellant's success on the merits,

(3) The likelihood of immediate and irreparable harm if the stay is not granted, and

(4) Whether the public interest favors granting the stay.

If you have any questions, please contact Joseph Varner, Realty Specialist, by email at jvarner@blm.gov or by telephone at 702-515-5129.

Frederick Marcell

FOR Vanessa L. Hice
Assistant Field Manager
Division of Lands

Enclosures

Form 2800-14
(August 1985)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT / TEMPORARY USE PERMIT

Issuing Office
Las Vegas Field Office
Serial Number
N-92514

1. A (right-of-way) (~~permit~~) is hereby granted pursuant to:

   a. ■ Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776 43 U.S.C. 1761);

   b. ☐ Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);

   c. ☐ Other (describe)_____.

2. Nature of Interest:

   a. By this instrument, the holder, Ares Nevada, LLC, receives a right to construct, operate, maintain, and terminate a Regulation Energy Management Facility gravity based Energy Storage System, Rail Line corridor with overhead catenary powerline and Mid elevation tracks, a 230 kV transmission line, access roads on public lands (or Federal land for MLA Rights-of-Way) described as follows:

Mount Diablo Meridian, Nevada
See Legal Description Exhibit A

A map showing the location of the right-of-way is on file with the Bureau of Land Management, Las Vegas Field Office, in casefile N-92514.

b. The right-of-way or permit area granted for the Rail Corridor herein is 45 feet wide, 29,040 feet in length, and contains 30.0 acres, more or less. If a site type facility, the facility contains N/A acres.

c. The right-of-way or permit area granted herein for the Interconnect and partial access road measuring 100 feet wide, 4,224 feet in length, and a portion of the access road measuring 20 feet wide by 4,224 long and contains 9.70 acres, more or less. If a site type facility, the facility contains N/A acres.

d. The right-of-way or permit area granted herein for the Access Road 18-20 feet wide, 7,823 feet in length, and contains 3.23 acres, more or less. If a site type facility, the facility contains N/A acres.

c. This instrument shall terminate on December 31, 2045, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument [X] may [ ] may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

(Continued on page 2)

MAY 1 2 2016

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations parts 2800 and 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 120 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.

d. The stipulations, plans, maps, or designs set forth in Exhibits A, B, and C, dated MAY 12 2016 are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

(Signature of Holder)	Frederick Marcell For Vanessa L. Hice Assistant Field Manager Division of Lands
Chief Executive Officer (Title)	ATM, Division of Lands (Title)
May 10, 2016 (Date)	5/12/2016 (Effective Date of Grant)

(Form 2800-14, page 2)

MAY 12 2016

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations parts 2800 and 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 120 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer. MAY 12 2016

d. The stipulations, plans, maps, or designs set forth in Exhibits A, B, and C, dated _____ are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

J A Kelly
(Signature of Holder)

Chief Executive Officer
(Title)

May 10, 2016
(Date)

Frederick Marcell
for Vanessa L. Hice
Assistant Field Manager
Division of Lands

AFM, Division of Lands
(Title)

5/12/2016
(Effective Date of Grant)

(Form 2800-14, page 2)

MAY 12 2016

Form 2800-14
(August 1985)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT / TEMPORARY USE PERMIT

Issuing Office
Las Vegas Field Office
Serial Number
N-92514-01

1. A (right-of-way) (~~permit~~) is hereby granted pursuant to:

   a. ■ Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776 43 U.S.C. 1761);

   b. ☐ Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);

   c. ☐ Other (describe)_____.

2. Nature of Interest:

   a. By this instrument, the holder, Ares Nevada, LLC, receives a right to construct, operate, maintain, and terminate a short-term right-of-way for a Regulation Energy Management Facility gravity based Energy Storage System, Rail Line corridor with overhead catenary powerline and Mid elevation tracks, a 230 kV transmission line, access road , the Ares substation, operations controls and maintenance facilities related appurtenances on public lands (or Federal land for MLA Rights-of-Way) described as follows:

   Mount Diablo Meridian, Nevada
   See Legal Description Exhibit A

   A map showing the location of the right-of-way is on file with the Bureau of Land Management, Las Vegas Field Office, in casefile N-92514.

   b. The right-of-way or permit area granted for the Rail Corridor herein is 80 feet wide, 29,040 feet in length, and contains 53.3 acres, more or less. If a site type facility, the facility contains N/A acres.

   c. The right-of-way or permit area granted herein for the two Pulling Station sites is N/A feet wide, N/A feet in length, and contains 2 acres, more or less total. If a site type facility, the facility contains N/A acres.

   d. This instrument shall terminate on December 31, 2018, unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

   e. This instrument [X] may [ ] may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

   f. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

(Continued on page 2)

MAY 1 2 2016

Exhibit A

N-92514 & N-92514-01

Legal Description

Mount Diablo Prime Meridian, Nevada

T. 20 S., R. 55 E.,

sec. 22, SWNE, NWSE, NESW, SESW, and SWSW;

sec. 27, NWNWNW;

sec. 28, NENE, NWSENE, SWNE, NWNWSE, NESW, and SWSW;

sec. 31, SESESE;

sec. 32, NENE, NWNE, SWNE, NESW, SENWSW, and SWSW;

sec. 33, NWNWNW.

T. 21 S., R. 54 E.,

sec. 1, NWSW, SWNW, SWSE, SESE, and NSESW;

sec. 2, lot 2, SNW, and SNE;

sec. 12, NENENE.

T. 21 S., R. 55 E.,

sec. 6, Lot 1 and 7, SWNE, NESW, SENW, and NWSESW;

sec. 7, lot 1.

N-92514 is described as 42.93 acres aggregate.

N-92514-01 is described as 55.30 acres aggregate.

Plan Purpose

Following completion of operations, all structures associated with the rail line will be removed by the project proponent and recycled, repurposed, or disposed of using current standards for demolition and disposal in Nevada. Coordination will occur with BLM to restore the original contour and vegetation of the land.

Habitat fragmentation caused by the REM Facility will be minimized with the installation of dual purpose drainage/connectivity culverts, strategically placed desert tortoise crossings, and under-rail tortoise escapes; dual purpose drainage/connectivity culverts will also ensure that local hydrologic dynamics and dependent plant communities are minimally impacted. Drainage/connectivity structures will be 36 or 48 inches in diameter, depending on the size and characteristics of the drainage channel encountered, and will be accessible to tortoises via tortoise ramps or other appropriate designs.

Litter control will be implemented and enforced by ARES and their contractors. All trash and food related waste will be placed in predator-proof containers (or within closed containers inside closed buildings) and removed as appropriate from the site. Trash, litter, project debris, etc. will be transferred to a designated solid waste disposal facility. Vehicles hauling trash must be secured to prevent litter from blowing out along the road.

1 RECLAMATION PLAN

1.1 Reclamation Requirements

According to the Bureau of Land Management Reclamation Requirements, ARES will:

1. Manage waste materials.
2. Ensure subsurface integrity (geology & hydro-geology).
3. Ensure biological, chemical, physical integrity of soil.
4. Re-establish stable water courses and drainage features.
5. Blend visual composition with surroundings.
6. Re-establish slope stability and topographic diversity.
7. Prepare site to meet the needs for plant establishment.
8. Re-establish desired, self-perpetuating plant community.
9. Prevent introduction/establishment of invasive plants.
10. Implement a monitoring and management protocol.

1.2 Reclamation Objectives

The long-term objective of reclamation is to return the land, following use for energy development, to a condition approximating that which existed prior to disturbance. This includes restoration of the landform and natural vegetative community, hydrologic systems, visual resources, habitat, and forage. Reclamation will be considered successful when the site is recontoured and stabilized, protected from erosion, and revegetated with a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community that maintains ecological resilience and the integrity of natural processes.

At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species which occur in the surrounding natural vegetation. Permanent vegetative cover will be

determined successful when the basal cover of desirable perennial species is at least 80 percent of the basal cover of the adjacent undisturbed area or of potential basal cover as defined in the National Resource Conservation Service Ecological Site(s) for the area.

Operators and right-of-way holders are required to meet reclamation performance standards. Successful compliance with standards and meeting of objectives will be determined by the BLM. If revegetation is unsuccessful, subsequent treatments and reseedings will be required until objectives are met.

1.3 Reclamation Schedule

1.3.1 Interim Reclamation

Interim reclamation will be conducted concurrently with construction. Disturbed areas will undergo interim seeding as soon as possible during the period optimal for seeding (generally October 1-March 1) these disturbed areas could include: completed pad construction, topsoil storage berms, storm water control features, temporarily disturbed areas along roads and pipelines, and cut and fill slopes. The goal of interim seeding would be to stabilize materials, maintain biotic soil activities, and minimize weed infestations. If interim revegetation is unsuccessful, additional prep and reseeding shall be completed annually until standards are met.

Within 6 months following completion of construction, or after a year has passed with no new construction, interim reclamation will be completed to reduce the affected area to the smallest size needed for energy production. The interim reclamation timeline can be extended at the discretion of the BLM Authorized Officer to prevent unnecessary reclamation. Trash and equipment unnecessary to energy production operations shall be removed immediately.

1.3.2 Final Reclamation

Final reclamation will be initiated within no more than 1 year following rail line shutdown and operations closure in 2045. All equipment, facilities, and trash will be removed from the location immediately following final completion of operations. Roads that are no longer essential to the proposed activities will also undergo final reclamation within a year. Prior to final reclamation, an inspection of the disturbed area shall be held to review the existing reclamation plan or agree to an updated plan. Seed tags will be submitted for BLM approval at least 14 days before proposed seeding date. The BLM will be notified at least 48 hours prior to commencing final reclamation work and within 48 hours of completion of reclamation work.

For both Interim and Final Reclamation, earthwork and revegetation activities are limited by the time of year during which they can be effectively implemented. Site conditions and yearly climatic variations may require that the proposed schedule be modified to achieve revegetation success. Interim and Final Reclamation will be ongoing until reclamation objectives are met, or the BLM's Authorized Officer determines reclamation efforts have been sufficient. It is possible that these sites will need to be monitored for five years or more before they achieve reclamation objectives. Monitoring will end once reclamation standards have been met.

1.4 Reclamation Requirement Plans

1.4.1 Waste Management

The Contractor is responsible for waste control within the construction site; removal of the waste material produced from the site; and to implement any mitigation measures to minimize waste or redress problems arising from the waste from the site. The waste material may include any sewage, waste water or effluent containing sand, cement, silt, or any other suspended or dissolved material to flow from the site onto any adjoining land, storm sewer, sanitary sewer, or any waste matter or refuse to be deposited anywhere within the site or onto any adjoining land.

A proper waste management plan shall be implemented to promote waste minimization at source. Where waste generation is unavoidable then the potential for recycling or reuse should be explored and opportunities taken. If wastes cannot be recycled, then the recommended disposal routes should be followed.

Different types of construction waste generated from the site should be segregated, stored, transported and disposed of separately in accordance with the EPA's required procedures. It is important that the sorting of wastes should be done on-site. All waste materials should be segregated into categories covering:

- Excavated material or construction waste suitable for reuse on-site
- Excavated material or construction waste suitable for SEKD reclamation of public filling areas
- Remaining waste for landfill
- Chemical waste
- General refuse

On site measures promoting proper segregation and disposal of construction waste should be implemented, e.g. provide separate containers for inert (rubber, sand, stone, etc.) and non-inert (wood, organics, etc.) wastes. The inert waste can be taken to public filling area and the non-inert waste can be transported to strategic landfills.

It will be the Contractor's responsibility to dispose of excavated spoil and construction wastes. The Contractors will make use of excavated spoil as much as possible to minimize off-site fill material requirements and disposal of spoil. During road transportation of excavated spoil, vehicles should be covered to avoid dust impacts.

The Contractor will also reference the Waste Disposal Ordinance, the Public Health and Municipal Services Ordinance, and the Water Pollution Control Ordinance, and carry out the appropriate waste management work.

1.4.1.1 Construction and Demolition (C&D) Material

Components of construction and demolition (C&D) wastes such as steel and other metals should be segregated and recycled as far as possible before disposal to landfill.

Wastes such as concrete and rubble should only be disposed of at a public filling area.

Any on-site C&D waste handling facilities including temporary areas for sorting and stockpiling of all C&D waste should be set up for handling the large quantities of C&D waste generated prior to disposal.

If there is surplus waste required to be disposed of at public filling area, it should be noted that the public filling materials should only consist of earth, building debris, and broken rock and concrete. They should be

free from household refuse, plastic, metals, industrial and chemical waste, animal and vegetable matter, and other material considered unsuitable by the public filling Supervisor. Small quantities of timber mixed with otherwise suitable material will be permitted.

1.4.1.2 Chemical Waste

Chemical waste (e.g. oily sludge, halogenated solvent) produced from decommissioning of underground pipes and tanks and other activity should be handled according to EPA guidelines.

Uncontrolled disposal of chemical and hazardous waste into the air, soil, and waters should be prevented.

Where tanks or pipes are to be emptied or removed, precautionary measures should be taken to avoid the spillage of any petroleum products that may cause contamination to the ground.

Any contaminated material such as absorbent or cleaning stuffs should be properly disposed of.

On-site refuse collection point must be provided. This waste would normally be collected by private waste collectors, then transferred to a transfer station for compaction and containerization, and finally disposed of at a landfill.

1.4.1.3 Refuse

Implement appropriate measures to minimize windblown litter and dust during transportation by covering trucks or transporting wastes in enclosed containers.

Set up temporary refuse collection facility to store domestic waste and the waste should be collected frequently.

1.4.1.4 Waste Handling and Disposal

Reputable waste collectors authorized to collect the specific category of waste should be used to collect and transport the wastes to the appropriate disposal points.

Waste should be handled and stored properly to ensure that they are held securely without loss or leakage thereby minimizing the potential for pollution. Release of pollutants into nearby water bodies during storage and handling is not be permitted.

Appropriate measures should be employed to minimize windblown litter and dust during transportation of wastes by either covering the trucks or transporting wastes in enclosed containers.

The necessary waste disposal permits should be obtained from the appropriate authorities for specific category of waste in accordance with the relevant regulations.

Collection of municipal wastes should be carried out frequently.

Records of the quantities of wastes generated, recycled and disposed should be maintained, determined by weighing each load or by other appropriate methods.

1.4.2 Subsurface Integrity

Subsurface integrity will be maintained, and sources of groundwater and surface water contamination will be eliminated by properly plugging subsurface openings; stabilizing and properly backfilling underground

workings; and controlling sources of contamination by implementing Best Management Practices (BMPs) to protect groundwater and surface water quality.

Any subsurface openings related to water wells will be developed and plugged per industry standards. Underground workings for infrastructure such as collecting lines, cathodic protection, and other infrastructure will be trenched and backfilled with the same excavated material or appropriately engineered backfill materials in a reverse method from which it was excavated. Backfilled material will be compacted to Project design standards with topsoil salvage and redistribution per predetermined depths. Drainages and other water body crossings will be evaluated at the time of Project planning and construction to determine appropriate subsurface BMPs to be implemented at water crossings. Trench breakers made from sand bags or prefabricated concrete bags may be used at the outer extents of wetlands and drainage crossings to minimize the potential for any inadvertent subsurface drainage of water bodies. Trench breakers may also be used to prevent 'piping' or lateral subsurface water movement along trenched gathering lines in areas where collecting lines parallel water bodies and stream courses.

Subsurface stabilization will include compaction of redistributed subsoils to Project design standards, as applicable.

Water quality will be maintained during surface-disturbing activities using BMPs and reclamation prescriptions predefined in the COMP, SWPPP, and in compliance with the Clean Water Act (CWA).

1.4.3 Soil Integrity

Topsoil shall be stripped following removal of vegetation during construction of well pads, roads, or other surface facilities. This shall include all growth medium - at a minimum, the upper 2-6 inches of soil - but shall also include stripping of any additional topsoil present at a site, such as indicated by color or texture. Stripping depth may be specified during the onsite inspection. Stripped topsoil shall be stored separately from subsoil or other excavated material. Contractors will reference the site-specific document to determine salvage strategies.

Topsoil will not be piled more than 10 feet high, as the resulting compaction and anaerobic conditions can result in soil degradation (Ghose 2001). Precautions will be taken to protect soil from erosion, degradation and contamination, including covering piles with mulch, and diverting water runoff around piles. If mulching is necessary, a certified weed free straw or hay mulch will be applied. Topsoil piles will be labeled to avoid confusion. Soil that will be stored for more than one growing season will be seeded with short-lived species to compete against weeds in accordance to NAC 519A.325. Seedbed prep is not generally required for topsoil storage piles or other areas of temporary seeding.

Erosion control measures such as rock lined ditch/swales, rock/gravel mulches, or other retaining structures will be placed in the affected area to stabilize affected slopes and aid in future revegetation.

Following completion of construction activity, all disturbed areas will be recontoured to their original contours. Final reclamation will return remainder of the site to original contours following decommission of rail line and operations facilities.

1.4.4 Water Courses and Drainages

Depending on site specific needs, culverts, wing ditches, and channels will be utilized to manage water. Waterbars, slope breakers, erosion control blankets, fencing, mulch, straw bales, and rolls may also be used to manage soil erosion. Soil erosion control will be implemented on sites in highly erosive soils and steep areas. Mulching, netting, tackifiers, hydromulch, matting, and excelsior are common methods used to limit erosion on slopes that may be employed. The type of control measure will depend on slope gradients and the susceptibility of soil to wind and water erosion. All runoff and erosion control structures will be inspected periodically, cleaned out, and maintained in functional condition throughout the duration of construction and drilling.

All drainages affected by the rail line or operations will be maintained by culverts and other methods as described in The Gold Book. All roads will be constructed in a manner that does not result in grading within and parallel to drainages. To avoid depositing fill material in drainages, roads will be constructed at a height above drainage channels (USDI-BLM 2012). During the reclamation phase, drainages will be reconstructed and stabilized to function similar to pre-disturbance levels. Drainages and riparian areas will be addressed in greater detail in the site-specific reclamation plans.

1.4.5 Visual Composition

Operations facilities shall be located and placed to avoid or minimize visibility from travel corridors, and other potentially sensitive observation points, unless directed otherwise by the BLM due to other resource concerns, and shall be placed to maximize reshaping of cut-and-fill slopes and interim reclamation of the affected area.

To the extent practical, existing vegetation shall be preserved when clearing and grading for the rail line, roads, and operations facilities. The authorized officer may direct that cleared rocks be salvaged and redistributed over reshaped cut-and-fill slopes or along linear features.

Operations facilities shall be painted a natural color in a non-reflective finish selected to minimize contrast with adjacent vegetation or rock outcrops. The color shall be specified by the BLM.

1.4.6 Slope Stability and Topographic Diversity

In all areas where the soil has been compacted, the soil will be ripped to a minimum of 18-24 inches, with a furrow spacing of 18-24 inches. Where possible, soil will be ripped in two passes at perpendicular directions. After mitigating compaction, contours will be reshaped to blend with natural topography, to the extent possible. Fill material will be pushed into cuts and up over the backslope of the cuts, leaving no depressions where water could pond. Erosion control structures will be installed where necessary to maintain hydrologic function.

1.4.7 Site Preparation for Plant Establishment

In all disturbed areas where soil has been stripped, stored subsoil and topsoil will be restored according to their original orientation in the soil profile, i.e. subsoil below the topsoil. Topsoil will be spread to a depth of 6 inches across the disturbed areas or to a depth similar to what existed pre-disturbance in consultation with the BLM. BLM may require soil amendments.

Final seedbed preparation shall consist of scarifying (pitting, raking or harrowing) the spread topsoil prior to seeding. Scarification shall be repeated no more than 24 hours before prior to seeding to break up any crust

that has formed if the area is to be broadcast-seeded or hydroseeded, or if more than one season has elapsed since final seedbed preparation.

To enhance vegetative establishment and control erosion on slopes steeper than 3:1 (i.e. 15°), seedbed preparation shall consist of pocking or pitting. Surface soil material shall be completely and uniformly pocked or pitted with small depressions, to form micro-basins scaled to site and materials. Depressions shall be constructed in rows, in a "fish scale" pattern. This pattern shall be constructed perpendicular to the natural flow of water down a slope and/or to prevailing winds.

1.4.8 Plant Establishment

All disturbed areas on public lands will be seeded with a seed mixture approved by the BLM, consistent with BLM standards in terms of species and seeding rate for the specific habitat type within the project area.

- Seed will contain no noxious, prohibited or restricted weed seeds and contain no more than 0.5 percent by weight of other weed seeds.
- Only viability-tested, certified seed for the current year, with a minimum germination rate of 80% and a minimum purity of 90% will be used, i.e. pure live seed (PLS) must be ≥ 72%.
- Seed that does not meet the above criteria will not be applied to public lands.

Where possible seed will be selected that is locally adapted and genetically appropriate (i.e. choose a local seed supplier if possible, and ensure genetic compatibility with local plants. Seed from higher elevations/cooler climates may not be adapted for Nevada growing conditions).

A schedule for seed application will be created, detailing the rate and method of planting. Information will include application of mulch and fertilizer, as well as an estimate of success of revegetation.

1.4.9 Seeding Methods

Seeding will be conducted no more than 24 hours following final seedbed preparation. In general, seeding will take place immediately preceding the season with the highest chance of precipitation, typically October through December. Specialized rangeland equipment, such as rangeland drills, Truax drills, surface seeders, hydro-seeders, scarifiers, dozers, or other appropriate equipment will be used in reseeding disturbed areas.

The main purpose of seeding methods is to place the seed in direct contact with the soil, cover the seed with soil, and firm the soil around the seed to eliminate air pockets. Most species can be successfully drill seeded into the soil. Seeding depth in the soil depends on seed size and species-specific requirements; where possible, drill seed following the contours of the site. Follow drill seeding with cultipaction or crimped weed-free straw mulch, to enhance seed-to-soil contact and prevent loss of seeds and soil. The U.S.D.A. - Natural Resources Conservation Service recommendation for drill-seeding rate on arid and semi-arid rangelands with large seeded species is 20-40 PLS per square foot, and for small seeded species (most seed mixes), the rate is 30 to 50 PLS per square foot.

In areas that cannot be drilled, broadcast seed within 24 hours of soil work at the applicable rate. If seeding takes place later than within 24 hours of dirt work, cover seed ½ to 1 inch deep with a harrow or drag bar, unless pocking. When pocking is used as seedbed preparation, seed must be broadcast within 24 hours of soil prep. Broadcast or aerial seedings are at the rate of 60 to 95 PLSs per square foot (approximately double the drill-seeding rate).

Hydro-seeding and hydro-mulching may be used in areas of temporary seeding or in areas where drill-seeding or broadcast-seeding/raking are impractical. Hydro-seeding and hydro-mulching must be conducted in two separate applications to ensure adequate seed-to-soil contact. Note that temporary seeding allows use of a seed mix containing sterile hybrid non-native species or approved cover crop, in addition to native perennial species.

1.4.10 Invasive Species

Operators will be held accountable for the spread of noxious weeds caused by disturbances on federal lands associated with the proposed activities (USDI-BLM 2012). Noxious weeds will be documented during the pre-disturbance survey, and site-specific management will be addressed. ARES will follow the BLM Integrated Weed Management Plan. This plan outlines management goals, methods, and monitoring of weeds of site specific applications. Weed surveys will be completed annually for the life of the project following these protocols. Herbicide use must be approved by the BLM.

1.4.11 Reclamation Monitoring

The operator shall annually survey and report vegetative cover on all disturbed sites, to monitor reclamation success and weed management. An annual report shall be submitted to the BLM Field no later than December 1 of each year.

- Reclaimed areas shall be monitored annually. The annual report shall document whether attainment of reclamation objectives appears likely. If one or more objectives appear unlikely to be achieved, the report shall identify appropriate corrective actions. Upon review and approval of the report by the BLM, the operator shall be responsible for implementing the corrective actions or other measures specified by the authorized officer.
- Adaptive management techniques to support reclamation success and standards may be required. Reclamation will be considered successful when the site is protected from erosion and revegetated with a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community that minimizes loss of habitat, visual resources, and forage.

ARES

BLM PLANS

To be Provided and APPROVED before NTP

Decommissioning and Site Reclamation Plan

A.4 PROJECT DECOMMISSIONING

General

1. Where applicable, decommissioning activities will conform to agency standards and guidance for mitigation and reclamation (e.g., BLM's Gold Book).

2. Applicants must receive approval for changes to the ROW authorization prior to any modifications to the ROW required for decommissioning.

3. Gravel work pads will be removed; gravel and other borrow material brought to the ROW during construction will be disposed of as approved by the agency.

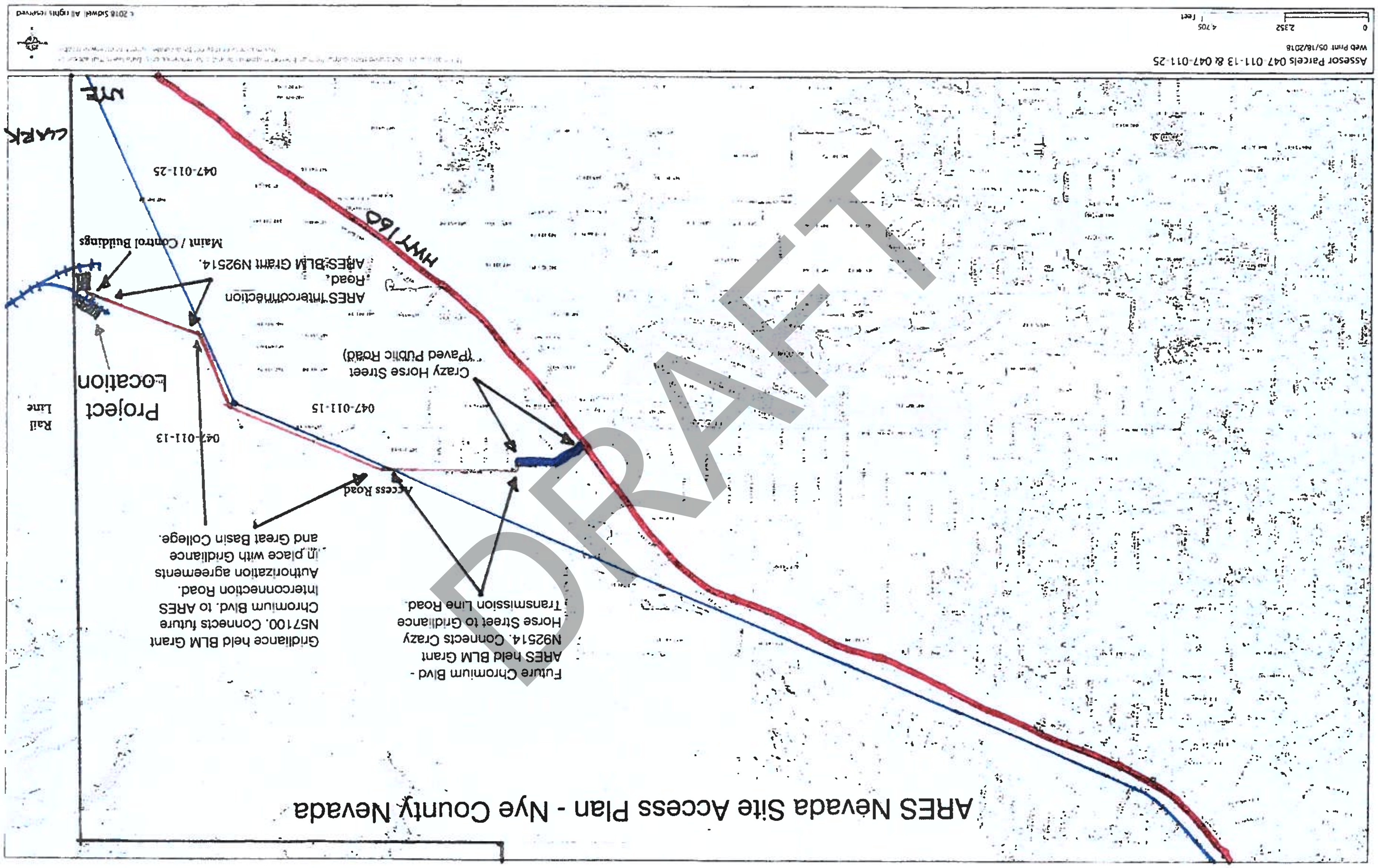
4. Any wells constructed on the ROW to support operations shall be removed and properly closed in accordance with applicable local or state regulations.

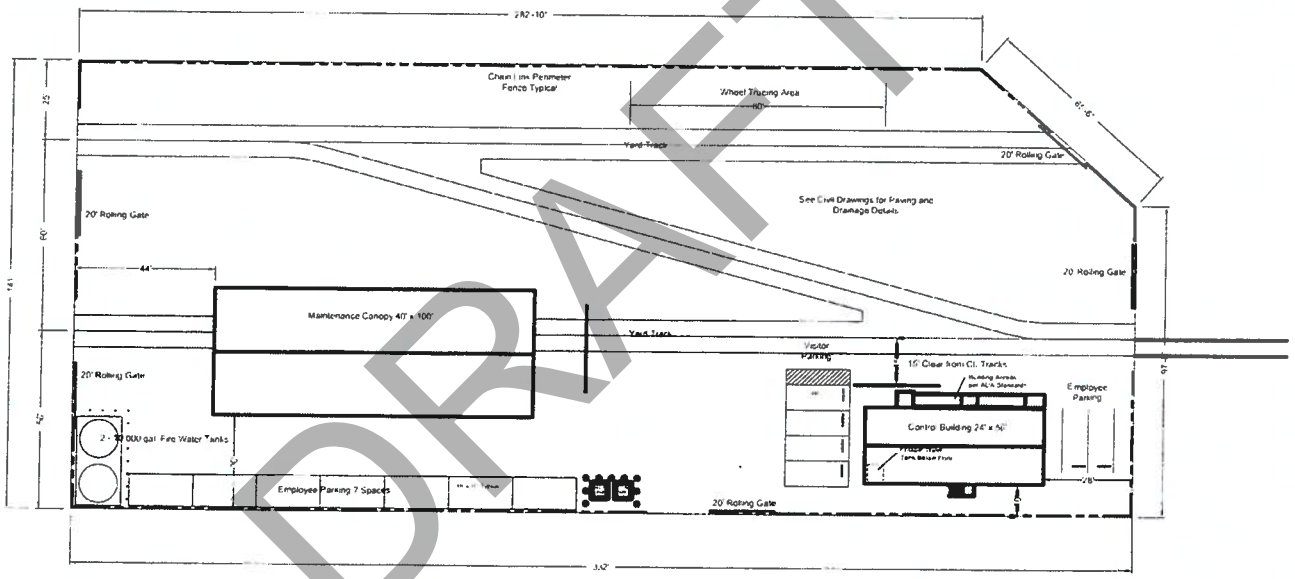
5. All equipment, components, and above-ground structures shall be cleaned and removed from the site for reclamation, salvage, or disposal; all below-ground components shall be removed to a minimum depth of 3 feet to establish a root zone free of obstacles; pipeline segments and other components located at greater depths may be abandoned in place

provided they are cleaned (of all residue) and filled with inert material to prevent possible future subsidence.

6. Dismantled and cleaned components shall be promptly removed; interim storage of removed components or salvaged materials that is required before final disposition is completed will not occur on Federal land.

7. At the close of decommissioning, applicants will provide the Federal land manager with survey data precisely locating all below-grade components that were abandoned in place.


ARES Nevada Site Access Plan - Nye County Nevada
Assessor Parcels 047-011-13 & 047-011-25
Web Print 05/18/2018
0
2,352
4,705
Feet
© 2018 Sidwell. All rights reserved
DRAFT
NYE
CLARK
HWY 160
047-011-25
047-011-15
047-011-13
Rail Line
Project Location
Maint / Control Buildings
ARES Interconnection Road, ARES BLM Grant N92514.
Crazy Horse Street (Paved Public Road)
Access Road
Gridliance held BLM Grant N57100. Connects future Chromium Blvd. to ARES Interconnection Road. Authorization agreements in place with Gridliance and Great Basin College.
Future Chromium Blvd - ARES held BLM Grant N92514. Connects Crazy Horse Street to Gridliance Transmission Line Road.



PRELIMINARY - NOT FOR CONSTRUCTION

NORTH

POTELCO INC
A Quanta Services Company

RAIL ENERGY STORAGE PROJECT - ARES NEVADA FACILITY

MAINTENANCE YARD SITE PLAN

01 10-21-1976;090STAT2776;43USC1761
Case Type 285003: ROW-POWER TRAN-FLPMA
Commodity 970: OTHER ENERGY FACILITIES
Case Disposition: AUTHORIZED

Total Acres: 1,054.545

Serial Number: NVN 057100

Serial Number: NVN--- - 057100

Name & Address					Int Rel	% Interest
GRIDLIANCE WEST TRANSCO, LLC	2 N LA SALLE ST STE 420	CHICAGO	IL	606024060	HOLDER/BILLEE	100.000000000

Serial Number: NVN--- - 057100

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
21	0200S	0540E	029	ALIQ			S2SE,SW;	LAS VEGAS FIELD OFFICE	NYE	BUREAU OF LAND MGMT
21	0200S	0540E	032	LOTS			1;	LAS VEGAS FIELD OFFICE	NYE	BUREAU OF LAND MGMT
21	0200S	0540E	034	LOTS			7,8;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0200S	0540E	034	ALIQ			N2SW,E2W2SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0200S	0540E	034	ALIQ			N2SW,E2W2SW;	LAS VEGAS FIELD OFFICE	NYE	BUREAU OF LAND MGMT
21	0210S	0540E	001	ALIQ			SWNW,N2SW,SESW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0540E	002	LOTS			2,5,8;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0540E	002	ALIQ			S2NE,NWNW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0540E	003	ALIQ			NE,NENW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0540E	003	ALIQ			NE,NENW;	LAS VEGAS FIELD OFFICE	NYE	BUREAU OF LAND MGMT
21	0210S	0540E	012	ALIQ			W2NE,NENW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0540E	013	ALIQ			E2NE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	018	LOTS			2,3;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	018	ALIQ			NESW,S2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	019	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	020	ALIQ			NW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	021	ALIQ			S2SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	027	ALIQ			SW,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	028	ALIQ			S2NE,N2NW,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	034	ALIQ			NE,NENW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0210S	0550E	035	ALIQ			SWNW,N2SW,SESW,S2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0550E	001	ALIQ			S2NW,NENW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0550E	001	LOTS			4;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0550E	002	LOTS			1,2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	006	LOTS			7;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	007	ALIQ			S2NE,NWNE,NENW,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
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21	0220S	0560E	016	ALIQ			SWNW,N2SW,NWSE,S2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT

Serial Number: NVN--- - 057100

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
21	0220S	0560E	017	ALIQ			N2NE,SENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	021	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	022	ALIQ			NW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	023	ALIQ			SWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	025	ALIQ			SWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	026	ALIQ			W2NE,NW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0560E	036	ALIQ			SWNE,NW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0220S	0570E	031	LOTS			4;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	006	LOTS			3,4,5;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	006	ALIQ			SWNE,SENW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	007	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	008	ALIQ			NW,NESW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	016	ALIQ			NW,NESW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	017	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	021	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	022	ALIQ			SWNW,N2SW,NWSE,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	026	ALIQ			SW,SWNW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	027	ALIQ			NE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0570E	035	ALIQ			W2NE,NENW,W2SE,SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0570E	001	ALIQ			W2SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0570E	002	ALIQ			E2NE,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0570E	002	LOTS			2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0570E	012	ALIQ			S2NE,NW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	007	LOTS			2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	007	ALIQ			N2,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	008	ALIQ			SWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	016	ALIQ			S2NW,E2SW,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	017	ALIQ			N2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	021	ALIQ			NE,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	022	ALIQ			SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	027	ALIQ			SWNE,E2NW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	034	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0580E	035	ALIQ			W2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0580E	001	ALIQ			W2SW,SESW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0580E	002	LOTS			2,3;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0580E	002	ALIQ			S2NE,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0580E	012	ALIQ			W2NE,SENE,NENW,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	007	LOTS			3;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	007	ALIQ			E2SW,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT

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Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
21	0250S	0590E	017	ALIQ			SWNW,N2SW,SESW,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	018	ALIQ			NE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	020	ALIQ			N2NE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	021	ALIQ			NWNW,S2NW,NESW,W2SE, SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	026	ALIQ			W2SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	027	ALIQ			SWNE,N2NW,SENW,N2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	028	ALIQ			NENE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	035	ALIQ			NE,NENW,NESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0590E	036	ALIQ			SW,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0590E	001	LOTS			1,2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0590E	001	ALIQ			N2NE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0600E	025	ALIQ			NE,SENW,N2SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0600E	026	ALIQ			SESW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0600E	033	ALIQ			SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0600E	034	ALIQ			S2NE,N2SW,NWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0600E	035	ALIQ			NWNE,NW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0600E	004	LOTS			3,4;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0600E	005	ALIQ			S2NE,N2SW,SWSW,NWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0600E	006	ALIQ			SENW,NESW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0260S	0600E	006	LOTS			4,5;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	019	LOTS			4;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	019	ALIQ			SESW,N2SE,SWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	020	ALIQ			N2,NWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	021	ALIQ			S2NE,NW,N2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	022	ALIQ			S2NE,N2SW,NWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	023	ALIQ			N2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	024	ALIQ			N2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0610E	030	LOTS			1;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0620E	025	ALIQ			N2S2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0620E	026	ALIQ			SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0620E	034	ALIQ			SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0620E	035	ALIQ			NWNE,E2NW,NWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	003	LOTS			6,7;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	003	ALIQ			S2NW,NWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	004	ALIQ			SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	008	ALIQ			SENE,SESW,SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	009	ALIQ			NW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	017	ALIQ			NW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	018	ALIQ			SENE,E2SW,N2SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT

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Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
21	0250S	0620E	019	LOTS			7,8;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0250S	0620E	019	ALIQ			NENW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0630E	036	ALIQ			SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	001	ALIQ			NW,NWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	001	LOTS			6,7;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	002	ALIQ			SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	010	ALIQ			SESE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	011	ALIQ			W2NE,SENW,N2SW,SWSW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	015	ALIQ			NE,SENW,SW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	021	ALIQ			NE,SW,NWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	022	ALIQ			NWNW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	028	ALIQ			NWNW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	029	ALIQ			N2;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	030	LOTS			7;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0240S	0630E	030	ALIQ			S2NE,NESW,NWSE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0640E	028	ALIQ			SWNW;	LAS VEGAS FIELD OFFICE	CLARK	LOWER COLORADO REGION
21	0230S	0640E	029	ALIQ			N2,NWSW;	LAS VEGAS FIELD OFFICE	CLARK	LOWER COLORADO REGION
21	0230S	0640E	030	ALIQ			SE;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0640E	030	ALIQ			SE;	LAS VEGAS FIELD OFFICE	CLARK	LOWER COLORADO REGION
21	0230S	0640E	031	ALIQ			NWNE,E2NW;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT
21	0230S	0640E	031	LOTS			6,7;	LAS VEGAS FIELD OFFICE	CLARK	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NVN--- - 057100

21	0200S	0540E	732	LOTS		2;	SOUTHERN NEVADA DO	NYE	PRIVATE LANDS
21	0200S	0540E	735	ALIQ		SWSW;	SOUTHERN NEVADA DO	CLARK	BUREAU OF LAND MGMT
21	0230S	0632E	736	ALIQ		SESE;	SOUTHERN NEVADA DO	CLARK	BUREAU OF LAND MGMT
21	0232S	0640E	731	LOTS		1,2;	SOUTHERN NEVADA DO	CLARK	PRIVATE LANDS
21	0232S	0640E	731	ALIQ		NENW;	SOUTHERN NEVADA DO	CLARK	PRIVATE LANDS

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
03/04/1993	124	APLN RECD		
08/19/1993	114	AMEND/CORR APLN RECD	/A/	
01/18/1994	114	AMEND/CORR APLN RECD	/B/	
02/02/1994	843	CAT 4 COST RECOVERY-PROC		
02/17/1994	114	AMEND/CORR APLN RECD	/C/	

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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
03/07/1994	065	COST RECOV (MON) RECD	$200.00;	
03/07/1994	971	COST RECOV (PROC) RECD	$925.00;	
06/03/1994	114	AMEND/CORR APLN RECD	/D/	
03/07/1995	315	RENTAL RATE DET/ADJ	$2967.41;	
03/10/1995	111	RENTAL RECEIVED	$2226.00; 12/31/95	
03/10/1995	307	ROW GRANTED-ISSUED		
03/10/1995	506	POWERLINE VOLTAGE (KV)	230;	
04/11/1995	600	RECORDS NOTED		
07/09/1995	466	ADM-JURIS TRF OUT	PATENT 27-95-0022	
02/12/1996	111	RENTAL RECEIVED	$3019.00; 12/31/96	
01/03/1997	111	RENTAL RECEIVED	$3081.32; 12/31/97	
01/04/1999	304	AUTH AMENDED/MODIFIED	A,B,C,D;	
01/04/1999	503	LENGTH IN MILES	87.00;	
01/04/1999	504	WIDTH IN FEET (TOTAL)	100;	
02/09/1999	600	RECORDS NOTED		
03/27/2001	153	POST AUTH APLN RECD	/E/	DIVISION OF SUPPORT SERVI
08/12/2002	153	POST AUTH APLN RECD	/F/	DIVISION OF SUPPORT SERVI
08/14/2002	974	AUTOMATED RECORD VERIF	JL	
04/19/2011	064	SURVEY APPROVED	/G/	
10/23/2014	428	NOTIFICATION GIVEN	/H/	
02/12/2015	428	NOTIFICATION GIVEN	/I/	
03/05/2015	428	NOTIFICATION GIVEN	ADJ ROW LTR SENT;	
03/10/2015	853	COMPL/REVIEW DUE DATE		
08/08/2015	428	NOTIFICATION GIVEN	ADJ ROW HOLDER;	
07/21/2016	114	AMEND/CORR APLN RECD	/J/	
08/16/2016	182	APLNT NTF PROC TIME		
12/19/2016	140	ASGN FILED	/K/	
02/23/2017	843	CAT 4 COST RECOVERY-PROC	$1170.00;	
02/23/2017	881	CAT 4 COST RECOVERY-MON	$1170.00;	
04/03/2017	971	COST RECOV (PROC) RECD	$1170.00;1	
08/21/2017	065	COST RECOV (MON) RECD	$1170.00;1	
08/21/2017	111	RENTAL RECEIVED	$66630.33;1	
08/21/2017	376	BOND FILED	$3525000;NVB002138	PAHRUMP FIELD OFFICE
08/28/2017	139	ASGN APPROVED	/K/	
12/22/2017	428	NOTIFICATION GIVEN	ADJ ROW HOLDER;	
03/20/2018	845	CAT 6 COST RECOVERY-PROC	$8500.00;	
03/30/2018	153	POST AUTH APLN RECD	/L/	

Line Number	Remark Text	Serial Number: NVN--- - 057100
0001	230 KV TRANSMISSION LINE	
0002	START AT MEAD SUBSTATION NEAR BOULDER CITY	
0003	WILL END AT THE PAHRUMP SUBSTATION	
0004	CLARK, NYE, AND ESMERALDA COUNTIES	
0005	/A/B/C/ TO CORRECT LEGAL DESCRIPTION	
0006	/D/AMEND TO REVISE R/W TERM TO PERPETUITY.	
0007	/E/ REA RENTAL EXEMPT	
0008	/E/ 230KV SUBSTATION POINT SOUTH OF GOOD SPRINGS	
0009	/F/AMEND OF ELECTRICAL TRANSMISSION LINES WOULD	
0010	INTERCONNECT THE PLANT TO THE EXISTING PAHRUMP-	
0011	MEAD TRANSMISSION LINE, TABLE MOUNTAIN SUBSTATION,	
0012	AND MEAD SUBSTATION.	
0013	T.21S.,R.54E., SEC. 2, LOTS 3&4 ARE NOW LOTS 5-8 DUE	
0014	TO RESURVEY.	
0015	/G/ RESURVEY TO CHANGE 20S 54E SEC 34 FROM S2SE	
0016	TO LOT 7 AND 8.	
0017	/H/NEVADA HOSPITAL ASSOC APPLIED FOR AN AMENDMENT	
0018	TO THEIR ROW FOR AN OVERHEAD FIBER OPTIC	
0019	LINE. N-90056	
0020	/I/LAND USE APP AND PERMIT TO PERFORM GEOTECHNICAL	
0021	INVESTIGATIONS IN T22S R55E SECTIONS 7,8,10,15,16,	
0022	17,20 AND 21. ALONG WITH ROW TO INSTALL	
0023	METEOROLOGICAL STATION IN T22S R55E SEC. 17.	
0024	/J/MODIFYING A PORTION OF THE PAHRUMP-MEAD TRANS-	
0025	MISSION LINE TO PROVIDE AN INTERCONNECTION	
0026	TO THE REGIONAL ELECTRICAL GRID FOR THE	
0027	ADVANCED RAIL ENERGY STORAGE(ARES)REGULATION	
0028	ENERGY MANAGEMENT SYSTEM(REM).MODIFYING APROX	
0029	7,840FT SECTION OF THE LINE FROM A SINGLE TO A	
0030	DOUBLE-CIRCUIT LINE,REROUTING THE TRANS LINE TO THE	
0031	GAMEBIRD SWITCH STATION BY INSTALLING APROX 6,250FT	
0032	OF NEW LINE,REMOVING ABOUT 5,000FT OF THE EXISTING	
0033	PAHRUMP-MEAD LINE.	
0034	/K/ ASSIGNMENT FROM VEA TO GRIDLIANCE.	
0035	/L/ AMENDMENT FOR A TRANSMISSION LINE.	