

_____, President
_____, HOA
XXX E. Santan Street
Gilbert, AZ 85296

July ____, 2002

Dear Mr. _____,

SRP is currently in the process of expanding the Santan Generating Station at its existing facility in Gilbert. As part of this expansion SRP will fulfill various conditions that are set forth in its Certificate of Environmental Compatibility (“CEC”).

Pursuant to condition #7 of the CEC, a Community Working Group (“CWG”) was established to refine the on-site and off-site landscaping and mitigation concepts submitted during the hearings. The CWG has completed the plans for on-site design and is now prepared to transfer the planning of off-site design to the individual homeowners’ associations and/or County residents surrounding the plant.

A fund has been established for landscaping to visually mitigate offsite views of the generating station. \$_____ will be provided to _____. In addition, monies will be provided annually for maintenance of vegetative landscaping for a period of ____ years. Each HOA must notify residents of the receipt of funds and allow resident input on use of the funds. Use of the HOA funds must follow the attached set of guidelines developed by SRP. Each HOA must present its intended use for the funds to SRP by the process outlined below.

In order to proceed with disbursement, SRP must obtain written acknowledgement that each HOA will use the funds for the purpose of mitigating plant views. Within the established guidelines, each association is responsible for enhancing its community in a manner best suited for its individual circumstances and needs. Receipt of this signed acknowledgement letter must be received by SRP within 90 days of this letter to be included in the fund. A detailed letter of the intended use of this fund along with an expected timeline of implementation must be submitted to Randy Dietrich of SRP 180 days following. The letter must address the following:

- How the plan adheres to the guidelines
- A copy of HOA notice to its residents and documentation of how resident input was considered
- Provide dates/times of when the offsite mitigation was discussed/planned by the HOA board
- Documentation of full board approval of the HOA off-site mitigation plan

After the HOA off-site plan is reviewed, SRP will forward the funds to the Town of Gilbert for HOA disbursement at which point SRP’s responsibility is complete.

To further assist homeowners and/or HOA’s, SRP is available to provide a brief history and status of the current expansion as well as development of the on-site landscape design plans. If you have any questions or would like SRP to attend your HOA board meeting, please contact Michelle Colores at (602) 236-5442 or Randy Dietrich at (602) 236-4311.

Please sign below to acknowledge the above and agree to utilize the funds as established in this letter and the attached guidelines.

President
Santan HOA

Vice President
Santan HOA

Secretary
Santan HOA

