



**ALLIANT ENERGY**

August 26, 2009

Alliant Energy Corporation  
Alliant Tower  
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Mayor and City Council  
City of Ames  
c/o City Clerk  
515 Clark Avenue  
PO Box 811  
Ames, IA 50010

Dear Mayor and Members of the City Council,

I am writing on behalf of Interstate Power and Light Company (IPL) to address our understanding and agreement with the City not to bill the City for damage to IPL facilities under certain limited circumstances.

During negotiations between the City and IPL, each of us acknowledged the close proximity of our facilities to each other within the public right-of-way. We further acknowledged that both the City and IPL are committed to ensuring the safety of our activities, as well as those of our contractors.

We understand that in certain situations City employees may damage IPL facilities in the exercise of their activities within the public right of way. IPL agrees that in such instances, we will not bill the City for such damage assuming: (a) such damages were not willful or intentional; (b) IPL was promptly notified of such damage after damage became apparent to the City, and afforded an opportunity to repair the facility; and (c) the City has complied with the requirements of Iowa Chapter 480 (or any successor statute or regulation related to utility location and notification).

Please note that this arrangement will only apply to damage to IPL facilities by City employees, and will not apply to damages to third parties or to incidents involving third party damage or bodily injuries. In no way shall this arrangement be used as a waiver of (or defense against) the right to IPL to assert a claim against the City or its contractors for indemnity or contribution to the extent a claim arises which falls outside of the limited scope of this agreement, and subject to the terms and conditions of the franchise agreement.

We will agree to maintain this practice so long as the Franchise Agreement is in place, with the understanding that we will continue to work cooperatively with the City to minimize the risks of any incidents involving damage to either party's facilities and will discuss and address specific safety issues that are raised.

The intent in offering this language is to ensure that in the event there are line hits that IPL receives prompt notification so that we can mitigate any damage or potential third-party claims related to the incident.

Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read "Vern Gebhart". The signature is fluid and cursive, with a large initial "V" and a long, sweeping underline.

Vern Gebhart  
Vice President - Energy Delivery - Operations West  
(319) 786-4765

cc: Jeff Rosencrants  
Scott Jones