

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 2)

Quanta Services, Inc.
(Name of Issuer)

Common Stock, \$.00001 par value
(Title of Class of Securities)

(CUSIP Number)
74762E 10 2

Julia Murray
General Counsel-Finance
Enron North America Corp.
1400 Smith Street
Houston, Texas 77002
(713) 853-6161

(Name, Address and Telephone Number
of Person Authorized to Receive Notices
and Communications)

September 21, 1999
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report this acquisition that is the subject of this Schedule 13D, and is filing this Schedule because of Rule 13d-1(e),

Rule 13d-1(f) or Rule 13d-1(g), check the following box: ☐

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

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SCHEDULE 13D

CUSIP NO. 74762E 10 2

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NAME OF REPORTING PERSON;

1 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Enron North America Corp. (formerly known as Enron Capital & Trade Resources Corp.)

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

2 (a) ☐
(b) ☒

SEC USE ONLY

3

SOURCE OF FUNDS*

4

WC

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

5

CITIZENSHIP OR PLACE OF ORGANIZATION
6
Delaware

SOLE VOTING POWER
7
NUMBER OF
0
SHARES

SHARED VOTING POWER
8
BENEFICIALLY
OWNED BY
3,589,090*

SOLE DISPOSITIVE POWER
9
EACH
REPORTING
0
PERSON

SHARED DISPOSITIVE POWER
10
WITH
3,589,090*

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
11
3,589,090*

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
12
[]

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
13
11.1%

TYPE OF REPORTING PERSON*
14
CO

* Represents shares of Common Stock issuable upon conversion of US \$49,350,000 principal amount of 6 7/8% Convertible Promissory Notes due 2010 by the conversion price of US \$13.75.
** Based on information provided by the Issuer as of August 12, 1999.

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CUSIP NO. 74762E 10 2

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NAME OF REPORTING PERSON;
1 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
ECT Merchant Investments Corp.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
2 (a) []
(b) [X]

SEC USE ONLY
3

SOURCE OF FUNDS*
4
OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []
5

CITIZENSHIP OR PLACE OF ORGANIZATION
6
Delaware

SOLE VOTING POWER
7
NUMBER OF
0
SHARES

SHARED VOTING POWER

BENEFICIALLY	8	
OWNED BY		897,272*
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0
PERSON		SHARED DISPOSITIVE POWER
WITH	10	897,272*

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

897,272*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

3.0%**

14 TYPE OF REPORTING PERSON*

CO

* Represents shares of Common Stock issuable upon conversion of US \$12,337,500.00 principal amount of 6 7/8% Convertible Promissory Notes due 2010 by the conversion price of US \$13.75.

** Based on information provided by the Issuer as of August 12, 1999.

SCHEDULE 13D

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1 NAME OF REPORTING PERSON;
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Enron Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ☐
(b) ☒

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Oregon

	7	SOLE VOTING POWER
NUMBER OF		0
SHARES		SHARED VOTING POWER
BENEFICIALLY	8	
OWNED BY		3,589,090*
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0
PERSON		SHARED DISPOSITIVE POWER
WITH	10	3,589,090*

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
3,589,090*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
[_]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
11.1%**

14 TYPE OF REPORTING PERSON*
CO

* Represents shares of Common Stock issuable upon conversion of US \$49,350,000 principal amount of 6 7/8 Convertible Promissory Notes due 2010 by the conversion price of US \$13.75.
** Based on information provided by the Issuer as of August 12, 1999.

SCHEDULE 13D

CUSIP NO. 74762E 10 2

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1 NAME OF REPORTING PERSON;
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Joint Energy Development Investments II Limited Partnership

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) [_]
(b) [X]

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) [_]

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER
NUMBER OF 0
SHARES

8 SHARED VOTING POWER
BENEFICIALLY OWNED BY 2,691,818*

9 SOLE DISPOSITIVE POWER
REPORTING EACH 0
PERSON

10 SHARED DISPOSITIVE POWER
WITH 2,691,818*

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,691,818*

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
[_]

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.6%**

TYPE OF REPORTING PERSON*PN

* Represents shares of Common Stock issuable upon conversion of US \$37,012,500 principal amount of 6 7/8% Convertible Promissory Notes due 2010 by the conversion price of US \$13.75.

** Based on information provided by the Issuer as of August 12, 1999.

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AMENDMENT NO. 2 TO
STATEMENT ON SCHEDULE 13D

Introductory Note: This Amendment No. 2 to Statement on Schedule 13D is being filed by Enron Corp., an Oregon corporation ("Enron"), Enron North America Corp., a Delaware corporation ("ENA"), formerly known as Enron Capital & Trade Resources Corp., ECT Merchant Investments Corp., a Delaware corporation ("EMIC"), and Joint Energy Development Investments II Limited Partnership, a Delaware limited partnership ("JEDI II"), which are collectively referred to as the "Reporting Entities." All information herein with respect to Quanta Services, Inc., a Delaware corporation (the "Issuer"), and the common stock, par value \$.00001 per share of the Issuer ("Common Stock") is presented to the best knowledge and belief of the Reporting Entities. Capitalized terms used and not defined in this Amendment No. 2 to Statement on Schedule 13D have the meanings set forth in the Schedule 13D. The joint Schedule 13D of Enron, Enron Capital & Trade Resources Corp., a Delaware corporation ("ECT"), and JEDI II filed October 9, 1998, as amended by a Schedule 13D/A of Enron, ECT, EMIC and JEDI II filed January 12, 1999, is further amended as follows:

Item 4. Purpose of Transaction.

Item 4 of Schedule 13D is hereby amended by adding the following:

Pursuant to a First Amendment dated September 21, 1999 (the "First Amendment") to Securities Purchase Agreement and Registration Rights Agreement, both dated September 29, 1998 (as so amended, the "Purchase Agreement" and the "Registration Rights Agreement"), the Issuer, EMIC and JEDI II have agreed to amend certain provisions of the Purchase Agreement and the Registration Rights Agreement and to take certain other actions as more fully described in the First Amendment. Further, in connection with the execution of a Securities Purchase Agreement and related transaction documents (the "Transaction Documents") between the Issuer and UtiliCorp United Inc. ("UtiliCorp"), EMIC and JEDI II have executed a letter agreement (the "Letter Agreement") agreeing to waive certain provisions of the Purchase Agreement and Registration Rights Agreement in order for the Issuer and UtiliCorp to enter into and perform certain aspects of the Transaction Documents.

The First Amendment and the Letter Agreement are each attached as exhibits to this Amendment No. 2 to Statement on Schedule 13D and incorporated herein by reference, and the following summaries of the terms of such agreements are qualified by reference to the actual documents.

First Amendment. Under the terms of the First Amendment, the definition of

Registrable Securities contained in the Registration Rights Agreement has been amended such that the Issuer is required to register for sale under the Securities Act of 1933, as amended, (i) the Conversion Shares (as defined in the Registration Rights Agreement) (including shares of Common Stock actually issued upon conversion of the Convertible Notes), (ii) other shares of Common Stock acquired by EMIC and/or JEDI II pursuant to Section 2.06 of the Purchase Agreement, and (iii) the Indenture Notes (as defined in the First Amendment), the underlying Conversion Shares and any replacement or substitute for, or reissuance of, any Indenture Notes. The First Amendment also modifies the provision of the Registration Rights Agreement relating to "piggyback" registration rights to the extent that a record holder of any Registrable Securities must share equally, on a share for share basis, with shares sought to be registered by UtiliCorp. As stated previously, the First Amendment permits the registration of the Convertible Notes, subject to certain requirements, including, but not limited to, engaging a nationally recognized indenture trustee (the "Trustee") and entering into a customary indenture with a Trustee.

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Letter Agreement. Pursuant to the Letter Agreement, EMIC and JEDI II have

agreed to waive certain provisions of the Purchase Agreement so that the Issuer and UtiliCorp may enter into and perform certain aspects of the Transaction Documents. Specifically, EMIC and JEDI II have agreed to waive certain rights under the Purchase Agreement with respect to (i) the Issuer's issuance to

UtiliCorp of 1,860,000 shares of the Issuer's Series A Convertible Preferred Stock (the "Preferred Stock") and (ii) the conversion of the Preferred Stock into Common Stock, all in accordance with the terms of the Transaction Documents. In addition, EMIC and JEDI II have agreed to waive their rights under the Purchase Agreement so that the Issuer may pay holders of the Preferred Stock regularly scheduled dividends so long as the declaration and payment of any such dividend would not result in a Default or Event of Default (both as defined in the Purchase Agreement). Similarly, EMIC and JEDI II have agreed to waive their rights under the Purchase Agreement in order to allow the Issuer and UtiliCorp to enter into a Management Services Agreement (the "Management Agreement") and the other transactions contemplated by the Transaction Documents, provided that the Issuer may only pay the regularly scheduled fee contemplated by the Management Agreement if the payment of any such fee would not result in a Default or Event of Default.

EMIC and JEDI II have also agreed to waive certain provisions of the Registration Rights Agreement for the benefit of the Issuer and UtiliCorp under the terms of the Letter Agreement. Specifically, notwithstanding certain provisions of the Registration Rights Agreement the Issuer may grant to UtiliCorp certain demand registration rights provided that the consent of EMIC and JEDI II to the foregoing is based on the agreement of the Issuer and UtiliCorp that so long as the Purchasers (as defined in the First Amendment) or their successors and assigns hold Registrable Securities (as defined in the Registration Rights Agreement), none of the provisions in Article II of the Investor's Rights Agreement between the Issuer and UtiliCorp may be amended, modified, expanded or waived without the consent of the Purchasers or their successors and assigns. Finally, EMIC and JEDI II have agreed to allow the Issuer to grant certain "piggyback" registration rights to UtiliCorp.

Other than the transactions described herein, none of the Reporting Entities, nor to their knowledge any of the persons named in Schedule I hereto (which sets forth certain additional information with respect to each director and executive officer of ENA, Enron, Enron Capital II Corp. and EMIC), has any plan or proposal that would result in any of the consequences listed in paragraphs (a) - (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) Neither EMIC nor JEDI II directly owns any Common Stock of the Issuer. As set forth in this Amendment No. 2 to Statement on Schedule 13D, EMIC directly owns a Convertible Note in the principal amount of \$12,337,500.00 which is convertible into 897,272 shares of Common Stock of the Issuer and JEDI II directly owns a Convertible Note in the principal amount of \$37,012,500.00 which is convertible into 2,691,818 shares of Common Stock of the Issuer. If the Convertible Notes were converted in full by EMIC or JEDI II, respectively, the shares of Common Stock issuable upon such conversion would represent approximately 3.0% and 8.6% of the outstanding Common Stock based on the number of shares of Common Stock outstanding as of August 12, 1999, as reported by the Issuer on its Form 10-Q for the quarter ended June 30, 1999.

Enron and ENA may be deemed to beneficially own the shares of Common Stock issuable upon conversion of the Convertible Notes held by both EMIC and JEDI II; however, Enron and ENA disclaim any beneficial ownership over such securities. EMIC disclaims beneficial ownership over the shares of Common Stock issuable upon conversion of the Convertible Note held by JEDI II, and JEDI II disclaims

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beneficial ownership over the shares of Common Stock issuable upon conversion of the Convertible Note held by EMIC.

(b) Enron, ENA and EMIC may be deemed to share voting and dispositive over the shares of Common Stock issuable upon conversion of the Convertible Note held by EMIC. Enron, ENA and JEDI II may be deemed to share voting and dispositive power over the shares of Common Stock issuable upon conversion of the Convertible Note held by JEDI II.

Item 6. Contracts, Arrangements, Understanding or Relationships with Respect to the Securities of the Issuer.

Item 6 of Schedule 13D is hereby amended by adding the following:

See the description of the First Amendment and the Letter Agreement in Item 4 above.

Item 7. Material to be Filed as Exhibits.

- (i) Joint Filing Agreement by and among the Reporting Entities
- (ii) First Amendment to Securities Purchase Agreement and Registration Rights Agreement dated September 21, 1999
- (iii) Letter Agreement dated September 21, 1999

INDEX TO EXHIBITS

- (i) Joint Filing Agreement by and among the Reporting Entities
- (ii) First Amendment to Securities Purchase Agreement and Registration Rights Agreement dated September 21, 1999
- (iii) Letter Agreement dated September 21, 1999

JOINT FILING AGREEMENT

The undersigned each agree that (i) the Statement on Schedule 13D relating to the Common Stock, \$.00001 par value, of Quanta Services, Inc. is adopted and filed on behalf of each of them, (ii) all future amendments to such Statement on Schedule 13D will, unless written notice to the contrary is delivered as described below, be jointly filed on behalf of each of them, and (iii) the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934 apply to each of them. This agreement may be terminated with respect to the obligation to jointly file future amendments to such Statement on Schedule 13D as to any of the undersigned upon such person giving written notice thereof to each of the other persons signatory hereto, at the principal office thereof.

IN WITNESS WHEREOF, the undersigned hereby execute this Joint Filing Agreement as of the date set forth below.

Dated: October 18, 1999. ENRON NORTH AMERICA CORP.

By: /s/ Angus H. Davis

Name: Angus H. Davis

Title: Vice President and Secretary

Dated: October 18, 1999. ENRON CORP.

By: /s/ Angus H. Davis

Name: Angus H. Davis

Title: Vice President and Deputy
Corporate Secretary

Dated: October 18, 1999. JOINT ENERGY DEVELOPMENT INVESTMENTS II
LIMITED PARTNERSHIP

By: Enron Capital Management II Limited
Partnership, its General Partner

By: Enron Capital II Corp., its general partner

By: /s/ Angus H. Davis

Name: Angus H. Davis

Title: Vice President and Secretary

Dated: October 18, 1999. ECT MERCHANT INVESTMENTS CORP.

By: /s/ Angus H. Davis

Name: Angus H. Davis

Title: Vice President and Secretary

FIRST AMENDMENT TO SECURITIES PURCHASE AGREEMENT
AND REGISTRATION RIGHTS AGREEMENT

This FIRST AMENDMENT TO SECURITIES PURCHASE AGREEMENT AND REGISTRATION RIGHTS AGREEMENT, dated as of September 21, 1999 (this "First Amendment"), is among QUANTA SERVICES, INC., a corporation duly organized and existing under the laws of the State of Delaware (the "Borrower"), ECT MERCHANT INVESTMENTS CORP., a corporation duly organized and existing under the laws of the State of Delaware ("EMIC"), and JOINT ENERGY DEVELOPMENT INVESTMENTS II LIMITED PARTNERSHIP, a limited partnership duly organized and existing under the laws of the State of Delaware ("JEDI-II").

Recitals

- a. The Borrower, Enron Capital & Trade Resources Corp., a Delaware corporation ("ECT") and JEDI-II entered into that certain Securities Purchase Agreement dated as of September 29, 1998 (the "Securities Agreement") pursuant to which the Borrower has issued certain convertible subordinated notes to ECT and JEDI-II, all upon the terms and conditions provided for in the Securities Agreement. ECT assigned its interest in the Notes and the Securities Agreement to EMIC and EMIC is successor to ECT with respect to the Notes and the Securities Agreement.
- b. The Borrower, ECT and JEDI-II are parties to that certain Registration Rights Agreement dated as of September 29, 1998 (the "Registration Agreement") pursuant to which the Borrower has agreed to provide certain registration and other rights, all upon the terms and conditions provided for in the Registration Agreement. ECT assigned its interest therein to EMIC and EMIC is successor to ECT with respect to the Registration Agreement.
- c. The Borrower, EMIC and JEDI-II have agreed to amend certain provisions of the Securities Agreement and Registration Agreement and to take certain other actions as described in this First Amendment.
- d. Borrower has agreed to issue preferred stock to UtiliCorp United Inc., a Delaware corporation ("UtiliCorp.") and contemplate entering into the Investor's Rights Agreement between UtiliCorp and Borrower (the "Investor's Rights Agreement").
- e. NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Unless otherwise defined in this First

Amendment, each capitalized term used in this First Amendment which is defined in the Securities Agreement has the meaning assigned to such term in the Securities Agreement.

Section 2. Amendments to Securities Agreement. The Securities Agreement

is amended as follows:

a. New and Replaced Definitions. Section 1.01 of the Securities Agreement

is amended by inserting the following definitions as appropriate:

"EBIT" means, for any period, on a trailing four fiscal quarter basis, the sum of Consolidated Net Income plus each of the following to the extent actually deducted in determining Consolidated Net Income, (a) Consolidated Interest Expense, and (b) provisions for taxes based on income or revenues, all calculated on a consolidated basis for the Borrower and its Subsidiaries and as determined in accordance with GAAP.

"Management Fee" means the management fee due from the Borrower to UtiliCorp under the terms of the Management Services Agreement between the Borrower and UtiliCorp under which UtiliCorp will provide to the Borrower advice regarding (a) corporate and strategic planning, (b) the development, evaluation and marketing of the Borrower's products and services, (c) identifying potential acquisition candidates and additional business opportunities, and (d) other similar or related services.

"Minimum Interest Coverage Ratio" means, for any period, the ratio of (a) EBIT plus the amount of the Management Fee expensed during such period, to (b) the sum of the Consolidated Interest Expense, plus the amount of any dividend or distribution in respect of the Preferred Stock paid or scheduled to be paid during such period, plus the amount of the Management Fee paid during

such period.

"Obligations" means any and all amounts, liabilities and obligations owing from time to time by Borrower to the Purchasers or any Successors, pursuant to any of the Basic Documents and all renewals, extensions and/or rearrangements thereof, whether such amounts, liabilities or obligations be liquidated or unliquidated, now existing or hereafter arising, absolute or contingent.

"Participation" means, for each Purchaser or any Successor, such Purchaser's or Successor's proportionate share pertaining to the Obligations. As of the Effective Date, ECT's Participation shall be 25% and JEDI-II's Participation shall be 75%.

"Purchasers" means EMIC and JEDI-II and any of their respective Affiliates who may become the holders of any Securities, but does not include any Person who becomes a holder of any Securities who is not an Affiliate of EMIC or JEDI-II.

"Purchaser's Account" means for any Purchaser or Successor, the account specified by such Purchaser or Successor as its Purchaser's Account by notice in writing to the Borrower.

"Successors" means the successors and permitted assigns of the Purchasers that are not Affiliates of Purchasers.

b. Section 1.02, Article III, Sections 6.01 through 6.06, Section 6.08, Articles VIII and IX, and Sections 11.01, 11.02, 11.03 and 11.08. Section 1.02, Article III, Sections 6.01 through 6.06, Section 6.08, Articles VIII and IX, and Sections 11.01, 11.02, 11.03 and 11.08 are each amended by replacing all references to "Purchaser" or "Purchasers" contained therein with respectively, "Purchaser and/or any Successor" and "Purchasers and/or any Successors."

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c. Sections 2.06 and 6.07. Sections 2.06 and 6.07 are amended by replacing (i) "ECT or JEDI-II" with "EMIC, JEDI-II or any of their respective Affiliates" and (ii) "ECT and JEDI-II" with "EMIC, JEDI-II and any of their respective Affiliates that become Purchasers."

d. Section 7.01. Section 7.01 is amended by deleting the first sentence and replacing it with the following:

The Borrower will not, and will not permit any Subsidiary to, create, incur, assume, guarantee or in any other manner become directly or indirectly liable (as to new Indebtedness) for the payment of (a) any Prohibited Subordinated Indebtedness, as hereafter defined, or (b) any other Indebtedness unless the Borrower's Minimum Interest Coverage Ratio is greater than or equal to the Minimum Interest Coverage Ratio permitted by the Senior Credit Agreement, but in no event shall such ratio be less than 2.76 to 1.0.

e. Section 11.04. Section 11.04 is amended by replacing such section in its entirety with the following:

This Agreement shall be binding upon the Borrower, the Purchasers, and their respective Successors. Except as expressly provided in this Agreement, this Agreement shall not be construed so as to confer any right or benefit upon any Person other than the Borrower, the Purchasers, and their respective Successors. All or any portion of the rights and obligations of the Purchasers and their Successors under this Agreement with respect to the Basic Documents may be sold, assigned or pledged by any Purchaser or Successor. Notwithstanding the foregoing, the Purchasers may transfer the rights provided in Sections 2.06, 6.07 or 10.09 only to other Purchasers. Upon any assignment of the Basic Documents, the assignee shall succeed to all of the assignor's rights and obligations under the Basic Documents to the extent assigned and the assigning Purchaser or Successor, as applicable, shall be automatically released from any such obligations hereunder with respect to the Basic Documents to the extent assigned, other than the obligations arising under Article X hereof. The Conversion Shares may be sold, assigned or pledged and upon any assignment complying with the terms of the Registration Rights Agreement and upon any such assignment, the holders of the Conversion Shares shall succeed to the Purchaser's or any Successor's rights and obligations under the Registration Rights Agreement. Upon request of any Purchaser or any

Successor in connection with any transfer of the Notes, the Borrower shall execute and deliver any amendment to this Agreement, the Notes, and the other Basic Documents reasonably requested by the Purchaser or the Successor to reflect the transfer and delineate the rights of the transferor and the transferee provided that the Borrower shall not be liable for the expenses incurred in documenting such amendment. In the event that a Purchaser or a Successor grants participations in its Note to other Persons, each of such other Persons shall have the rights of setoff against any amounts due by the Borrower hereunder and similar rights or Liens to the same extent as made available to the Purchasers or any Successors. The Borrower acknowledges that the Purchasers or any Successors may "syndicate" the loan evidenced by the Notes, and the other Basic Documents and agree to execute any amendments, restatements and other modifications to the Basic Documents in connection with such syndication, provided that the Borrower shall not be liable for the expenses incurred by Purchasers or any Successors in documenting such syndication. The Borrower may deem and treat the

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original Purchasers as the owner of the Notes for the purpose of receiving payment of principal of and premium (if any) and interest on the Notes and for all other purposes whatsoever until the Borrower is notified otherwise in writing pursuant to Section 11.06 of this Agreement.

Section 3. Amendments to Registration Agreement. The Registration

Agreement is amended as follows:

a. Defined Terms. For Section 3 only of this First Amendment, each

capitalized term used in this Section 3 of the First Amendment which is defined in the Registration Agreement and not in the Securities Agreement has the meaning assigned to such term in the Registration Agreement.

b. Amended Definition. Section 1.01 of the Registration Agreement is

amended by amending the definition of "Registrable Securities" to read, in its entirety, as follows:

"Registrable Securities " means any of the following: (i) the Conversion Shares (including shares of Common Stock actually issued upon conversion of the Notes), (ii) other shares of Common Stock acquired by EMIC and/or JEDI-II pursuant to Section 2.06 of the Securities Purchase Agreement, and (iii) the Indenture Notes (as defined below), the underlying Conversion Shares and any replacement or substitute for, or reissuance of, any Indenture Notes, until such time as any of such securities cease to be Registrable Securities pursuant to Section 1.02 hereof. Since the term Registrable Securities is being amended to include debt securities as well as equity securities, the context of each provision of this Agreement will be interpreted in a manner so as to give maximum effect to all provisions insofar as they are now applicable to debt securities. When calculating a percentage of Registrable Securities, the calculation shall be made using the amount of shares of Common Stock beneficially owned as a result of owning Registrable Securities.

c. Demand Registration. Section 2.01(d) is amended by replacing the last

sentence of the first paragraph with the following:

Except as provided in this subsection (d) and in Section 2.05, the Company will not effect any other registration of its Voting Securities (except with respect to Registration Statements on Form S-4 or S-8 or any forms succeeding thereto for purposes permissible under such forms as of the date hereof or filed in connection with an exchange offer or an offering of securities solely to the Company's existing stockholders or such other registration statements (i) for the resale of shares issued pursuant to an employee stock ownership trust or other benefit plan of a business acquired in an Acquisition or (ii) in connection with non-underwritten resales of securities issued to owners of a business acquired in an Acquisition), whether for its own account or that of any Other Holder other than holders of "Registrable Securities" (as such term is defined in the Investor's Rights Agreement) under the Investor's Rights Agreement, from the date of receipt of a Request Notice requesting the registration of an underwritten public offering (x) in the case of all underwritten public

offerings other than firm commitment, underwritten public offerings, until the completion or abandonment of the distribution by the underwriter of all securities thereunder, or (y) in the case of firm commitment, underwritten public offerings, until the earlier of (a) the date each underwriter has completed the distribution of all

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securities purchased by it or (b) the date ninety (90) days subsequent to the effective date of such registration statement.

- d. Piggy-Back Registration. Section 2.02 is amended by replacing the

proviso at the end of the last sentence of the first paragraph with the following:

provided, however, that (a) in the case of a Registration Statement filed pursuant to the exercise of demand registration rights of any Other Holders, priority shall be given first to the Other Holders demanding such registration, then equally (on a share for share basis) to the Holders and UtiliCorp, then to the Company and then to Other Holders (other than the Other Holders demanding such registration); and (b) in the case of a Registration Statement the filing of which is initiated by the Company, priority shall be given (A) first to the Company, then (B) such priority shall be given equally (on a share for share basis) to (x) the Other Holders (exercising their piggy back registration rights) and (y) the Holders.

- e. Assignees. Section 3.12 is amended by replacing the first sentence

with the following:

The rights of any Holder under this Agreement may be assigned to any Person who, in the aggregate, acquires or becomes the Beneficial Owner of at least 10,000 shares of Common Stock either issued or issuable on conversion of the Notes, which such number shall be subject to equitable adjustment for stock splits, stock dividends or combinations of shares.

- f. Preparations for Registered Sales of Notes. In the event that any

Holder or Holders elect to exercise their demand registration rights with respect to the Notes (the "Triggering Note Holder(s)"), then the following actions shall be taken:

(1) The Triggering Note Holder(s) will notify the Borrower of such determination;

(2) The Borrower shall (i) promptly notify all other Holders of Notes of such determination and (ii) give such other Holders of Notes 7 days to elect to participate in the following procedures. Any Holder of the Notes electing to participate within such 7 days shall participate with Triggering Note Holder(s) on a pro-rata basis (collectively, the "Participating Note Holder(s)"). Among the Participating Note Holder(s), a simple majority on a dollar basis shall control all decisions;

(3) The Borrower shall engage a nationally recognized indenture trustee (the "Trustee") reasonably acceptable to the Participating Note Holder(s);

(4) The Borrower and the Trustee shall enter into a customary indenture (the "Indenture") acceptable to the Participating Note Holder(s), which will cover all Notes (the "Indenture Notes"). The Indenture shall require the vote of the Participating Note Holder(s) holding Indenture Notes representing at least 66 2/3% of the principal amount of outstanding Indenture Notes to either (i) amend or modify the Indenture or (ii) remove or replace the Trustee; provided, however, that, without the consent of each of the Holder(s) of the Indenture Notes affected thereby, the Indenture and Indenture Notes shall not be amended or modified to (a) extend the fixed maturity of any Indenture Note, or reduce the rate or extend the time of payment of interest thereon or reduce the principal amount thereof, or

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premium, if any, thereon, or make the principal thereof or premium, if any, or interest thereon payable in any currency other than U.S. dollars, (b) modify the subordination or conversion provisions of the Indenture or Indenture Notes in any manner adverse to the interests of the Participating Note Holder(s), or (c) reduce the 66 2/3rd percentage for Participating Note Holder(s) who are required to

consent (i) to other amendments to, or modifications of, the Indenture and Indenture Notes or (ii) to removal or replacement of the Trustee. The form of Indenture Note will be included within the text of the Indenture;

(5) The Indenture and the Indenture Notes, both of which must be acceptable to the Participating Note Holder(s), shall contain the same rights, terms and features, mutatis mutandis, as stated in the Securities Agreement, the Registration Agreement and the underlying Notes to be received in exchange; including, without limitation, the right to convert into Conversion Shares, along with such other terms as are required in order (i) for the Indenture Notes to be eligible for sale pursuant to a Registration Statement and (ii) for the Indenture to be eligible to be qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The terms of any provisions of the Securities Agreement, the Registration Agreement and the Notes that are (x) to be retained by EMIC and/or JEDI-II and any other specific Person and (y) not to be included in the Indenture, may be contained in a separate agreement between EMIC and/or JEDI-II (or such Person), on the one hand, and the Borrower, on the other hand;

(6) As of the date of the Indenture, the face amount of underlying Notes of each Holder of a Note shall be exchanged with the Borrower and the Trustee for Indenture Notes of an equal face amount. Any accrued but unpaid interest on the Notes as of the date of the exchange shall be carried forward and shall be payable to the Holders of Indenture Notes;

(7) The Borrower shall use commercially reasonable efforts to cause the creation of the Indenture and the exchange of Notes to be accomplished within 30 days after a determination has been made of those Participating Note Holders; and

(8) When Holder(s) of Indenture Notes exercise their rights to sell Indenture Notes pursuant to a Registration Statement, the Borrower shall use its commercially reasonable efforts to cause the Indenture to be qualified with the Securities and Exchange Commission under the Trust Indenture Act.

g. Out of Pocket Expenses. All of the Borrower's and the Participating

Note Holders' reasonable out of pocket expenses incurred to (a) engage and compensate a Trustee, (b) create the Indenture, (c) qualify the Indenture under the Trust Indenture Act, and (d) effect the exchange of Notes for Indenture Notes shall be paid or reimbursed by the Participating Note Holders, pro rata in accordance with the face amounts of such Indenture Notes.

Section 4. Representations and Warranties. The Borrower represents that:

(i) as of the date hereof, no Default nor Material Adverse Effect has occurred; and

(ii) the execution, delivery and performance by the Borrower of this First Amendment: (a) is within the Borrower's corporate power; (b) has been duly authorized by all necessary or proper corporate action; (c) is not in contravention of any provision of the Borrower's certificate of incorporation or bylaws; (d) will not violate (1) any law or

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regulation or (2) any order or decree of any court or governmental instrumentality; (e) will not conflict with or result in the breach or termination of, constitute a default under or accelerate any performance required by, any agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its respective property is bound; and (f) does not require the consent or approval of any governmental body, agency, authority or any other Person that has not been duly obtained, made or complied with prior to the date hereof.

Section 5. Limitations. The amendments set forth herein are limited

precisely as written and shall not be deemed to (a) be a consent to, or waiver or modification of, any other term or condition of the Securities Agreement or Registration Agreement or any of the other Basic Documents, or (b) prejudice any right or rights which the Purchasers may now have or may have in the future under or in connection with the Securities Agreement or Registration Agreement or any of the other Basic Documents. Except as expressly supplemented, amended or modified hereby, the terms and provisions of the Securities Agreement or Registration Agreement or any other Basic Documents are and shall remain in full force and effect. In the event of a conflict between this First Amendment and any of the foregoing documents, the terms of this First Amendment shall be controlling.

Section 6. Governance. This First Amendment and the rights and

obligations of the parties hereunder and under the Securities Agreement shall be construed in accordance with and be governed by the laws of the State of Texas. Any action, dispute, claim or controversy of any kind between the Borrower, on the one hand, and EMIC and JEDI-II or any of their successors and assigns, on the other hand, shall be arbitrated in accordance with the terms and provisions of Section 11.08 of the Securities Agreement.

Section 7. Descriptive Headings, etc. The descriptive headings of the

several Sections of this First Amendment are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 8. Counterparts. This First Amendment may be executed in any

number of counterparts and by different parties on separate counterparts and all of such counterparts shall together constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above.

QUANTA SERVICES, INC.,
A Delaware corporation

By: /s/ Brad Eastman

Name: Brad Eastman

Title: Vice President

JOINT ENERGY DEVELOPMENT INVESTMENTS
II LIMITED PARTNERSHIP, a Delaware limited
partnership

By: Enron Capital Management II Limited
Partnership, its General Partner

By: Enron Capital II Corp., its
General Partner

By: /s/ Raymond M. Bowen, Jr.

Name: Raymond M. Bowen, Jr.

Title: Vice President and Treasurer

ECT MERCHANT INVESTMENTS CORP.,
a Delaware corporation

By: /s/ Robert Greer

Name: Robert Greer

Title: Vice President

LETTER AGREEMENT

September 21, 1999

ECT Merchant Investments Corp. ("EMIC")
(as successor to Enron Capital & Trade Resources Corp ("ECT"))
1400 Smith Street
Houston, Texas 77002

Joint Energy Development Investments II Limited Partnership ("JEDI-II")
c/o Enron Corp.
1400 Smith Street
Houston, Texas 77002

Attention: Robert Greer

Re: Certain Waivers in connection with transactions between Quanta
Services, Inc. ("Quanta") and UtiliCorp United Inc. ("UtiliCorp")

Ladies and Gentlemen:

On this date, Quanta and UtiliCorp are entering into a Securities Purchase Agreement and related transaction documents (collectively, the "Transaction Documents"), executed copies of which have been provided to EMIC and JEDI-II and are attached in their final form hereto as Exhibit A. Pursuant to the Transaction Documents, among other things, (i) UtiliCorp will acquire 1,860,000 shares of Quanta's Series A Convertible Preferred Stock (the "Preferred Stock") and (ii) UtiliCorp and Quanta will enter into a Management Services Agreement of even date (the "Management Agreement"). The Preferred Stock is convertible by the holders thereof (the "Preferred Holder") into Quanta's common stock ("Common Stock") and pursuant to the Management Agreement, Quanta is obligated to pay to UtiliCorp certain management fees (collectively, the "Fees").

Quanta and UtiliCorp are jointly requesting that you grant the specific waivers described below in order for Quanta and UtiliCorp to enter into and perform certain aspects of the Transaction Documents. The terms of the waivers are set forth below, and each waiver (i) shall be strictly construed in accordance with its express terms, (ii) shall be effective only in the specific instance and for the specific purpose described below and (iii) shall only be effective with respect to those terms and provisions set forth in the attached Transaction Documents.

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The requested waivers are as follows:

9. Preemptive Rights. You waive any and all rights pursuant to Section

2.06(b) of that certain Securities Purchase Agreement dated September 29, 1998 among Quanta, JEDI-II and ECT, as amended on this date (the "SPA"), solely with respect to (i) Quanta's issuance to UtiliCorp of the Preferred Stock and (ii) the Preferred Holder's conversion of the Preferred Stock into Common Stock; both such issuance and any such conversions to be done strictly in accordance with the terms of the Transaction Documents.
10. Regularly Scheduled Dividends. Notwithstanding Section 7.02 of the SPA,

Quanta may pay the Preferred Holder each regularly scheduled dividend (and any arrearage with respect to regularly scheduled dividends) provided for in Section 2 of the Certificate of Designation, Rights, and Limitations of the Preferred Stock included within the Transaction Documents if, but only if, at the times of declaration and of payment of any such dividend (and/or arrearage with respect to any such dividend), with or without notice or lapse of time, or both, no "Default" or "Event of Default" exist, and no "Default" or "Event of Default" would result from or would exist immediately after any such payment, as "Default" and "Event of Default" are defined in the SPA.
11. Management Fees. Notwithstanding Section 7.06 of the SPA, Quanta and

UtiliCorp may enter into the Management Agreement and the other transactions contemplated by the Transaction Documents; provided, however, that Quanta may pay the regularly scheduled Fee thereunder in accordance with the Management Agreement if, but only if, at the time of each payment, with or without notice or lapse of time, or both, no Default or Event of Default exists and no Default or Event of Default would result from or would exist immediately after any such payment of any Fee.

12. Certain Demand Registrations. Notwithstanding Section 2.01(d) of the

Registration Rights Agreement dated as of September 29, 1998, as amended on
this date (the "Rights Agreement"), among Quanta, JEDI-II and ECT, Quanta
may grant to UtiliCorp the demand registration rights specified in Section
2.1 of the Investor's Rights Agreement dated of even date herewith between
Quanta and UtiliCorp (the "Investor's Rights Agreement") included within
the Transaction Documents; provided, however, that such consent is based on
the agreement of Quanta and UtiliCorp, which agreement will survive for so
long as the Purchasers, as such term is defined in the SPA, or their
successors and assigns hold Registrable Securities as such term is defined
in the Rights Agreement, that none of the provisions in Article II of the
Investor's Rights Agreement, including the third party beneficiary rights
granted to you and your successors, may hereafter be amended, modified,
expanded or waived without the consent of the Purchasers or their
successors and assigns; and
13. Certain Piggy-Back Registrations. Notwithstanding Section 2.02 of the

Rights Agreement, Quanta may grant to UtiliCorp the piggy-back registration
rights specified in Section 2.2 of the Investor's Rights Agreement.

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The parties hereto expressly acknowledge that the terms of this letter agreement
may be contradictory or in addition to the terms and provisions of the
Transaction Documents and the Rights Agreement and that the terms of this letter
agreement shall control with respect to the subject matter contained herein.
Please acknowledge your consent to this waiver by executing this letter in the
space provided below and returning it to Quanta Services, Inc., 1360 Post Oak
Blvd., Suite 2100, Houston, Texas 77056, attention General Counsel.

Very truly yours,

QUANTA SERVICES, INC.

By: /s/ Brad Eastman

Name: Brad Eastman

Title: Vice President

UTILICORP UNITED INC.

By: /s/ Robert Green

Name: Robert Green

Title: President

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ACKNOWLEDGED AND ACCEPTED:

ECT MERCHANT INVESTMENTS CORP.

By: /s/ Robert Greer

Name: Robert Greer

Title: Vice President

JOINT ENERGY DEVELOPMENT INVESTMENTS II
LIMITED PARTNERSHIP

By: Enron Capital Management II Limited
Partnership, its General Partner

By: Enron Capital II Corp., its
General Partner

By: /s/ Raymond M. Bowen, Jr.

Name: Raymond M. Bowen, Jr.

Title: Vice President and Treasurer
