UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 1-08325

MYR GROUP INC.

(Exact name of registrant as specified in its charter)

Delaware	**36-3158643**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1701 Golf Road, Suite 3-1012 **Rolling Meadows, IL**	**60008**
(Address of principal executive offices)	(Zip Code)

(847) 290-1891
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 23, 2015, there were 20,616,702 outstanding shares of the registrant's $0.01 par value common stock.

WEBSITE ACCESS TO COMPANY'S REPORTS

MYR Group Inc.'s internet website address is www.myrgroup.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") will be available free of charge through our website as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC").

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Throughout this report, references to “MYR Group,” the “Company,” “we,” “us” and “our” refer to MYR Group Inc. and its consolidated subsidiaries, except as otherwise indicated or as the context otherwise requires.

MYR GROUP INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)	September 30, 2015 (unaudited)	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 30,429	$ 77,636
Accounts receivable, net of allowances of $386 and $1,179, respectively	193,065	158,101
Costs and estimated earnings in excess of billings on uncompleted contracts	78,030	44,609
Deferred income tax assets	12,091	11,905
Receivable for insurance claims in excess of deductibles	11,391	12,311
Refundable income taxes	4,295	2,059
Other current assets	5,850	6,880
Total current assets	335,151	313,501
Property and equipment, net of accumulated depreciation of $173,276 and $147,956, respectively	164,894	148,654
Goodwill	48,667	46,599
Intangible assets, net of accumulated amortization of $3,478 and $3,227, respectively	9,614	9,865
Other assets	1,380	1,467
Total assets	$ 559,706	$ 520,086
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 82,486	$ 62,247
Billings in excess of costs and estimated earnings on uncompleted contracts	45,690	38,121
Accrued self insurance	35,861	39,480
Other current liabilities	28,627	31,740
Total current liabilities	192,664	171,588
Deferred income tax liabilities	24,729	24,729
Other liabilities	1,059	1,216
Total liabilities	218,452	197,533
Commitments and contingencies		
Stockholders' equity:		
Preferred stock—$0.01 par value per share; 4,000,000 authorized shares; none issued and outstanding at September 30, 2015 and December 31, 2014	—	—
Common stock—$0.01 par value per share; 100,000,000 authorized shares; 20,804,768 and 20,791,623 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively	206	206
Additional paid-in capital	167,153	151,124
Accumulated other comprehensive income	82	—
Retained earnings	173,813	171,223
Total stockholders' equity	341,254	322,553
Total liabilities and stockholders' equity	$ 559,706	$ 520,086

The accompanying notes are an integral part of these consolidated financial statements.

MYR GROUP INC.

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(In thousands, except per share data)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Contract revenues	$ 269,861	$ 248,473	$ 790,497	$ 692,988
Contract costs	241,241	215,749	700,767	602,656
Gross profit	28,620	32,724	89,730	90,332
Selling, general and administrative expenses	18,974	19,282	56,513	54,267
Amortization of intangible assets	84	83	251	250
Gain on sale of property and equipment	(357)	(48)	(1,574)	(119)
Income from operations	9,919	13,407	34,540	35,934
Other income (expense)				
Interest income	8	57	23	90
Interest expense	(180)	(179)	(546)	(534)
Other, net	438	2	349	164
Income before provision for income taxes	10,185	13,287	34,366	35,654
Income tax expense	4,010	4,883	12,945	13,237
Net income	$ 6,175	$ 8,404	$ 21,421	$ 22,417
Income per common share:				
—Basic	$ 0.30	$ 0.40	$ 1.03	$ 1.06
—Diluted	$ 0.29	$ 0.39	$ 1.01	$ 1.03
Weighted average number of common shares and potential common shares outstanding:				
—Basic	20,788	20,988	20,662	21,040
—Diluted	21,214	21,521	21,113	21,536
Net income	$ 6,175	$ 8,404	$ 21,421	$ 22,417
Other comprehensive income:				
Foreign currency translation adjustment	50	—	69	—
Other comprehensive income	50	—	69	—
Total comprehensive income	$ 6,225	$ 8,404	$ 21,490	$ 22,417

The accompanying notes are an integral part of these consolidated financial statements.

MYR GROUP INC.

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	Nine months ended September 30, 2015	2014
Cash flows from operating activities:		
Net income	$ 21,421	$ 22,417
Adjustments to reconcile net income to net cash flows provided by operating activities —		
Depreciation and amortization of property and equipment	27,767	24,551
Amortization of intangible assets	251	250
Stock-based compensation expense	3,843	3,271
Deferred income taxes	(186)	1,407
Gain on sale of property and equipment	(1,574)	(119)
Other non-cash items	175	95
Changes in operating assets and liabilities		
Accounts receivable, net	(24,301)	13,062
Costs and estimated earnings in excess of billings on uncompleted contracts	(31,319)	(20,859)
Receivable for insurance claims in excess of deductibles	920	(484)
Other assets	(1,234)	2,439
Accounts payable	17,014	(11,162)
Billings in excess of costs and estimated earnings on uncompleted contracts	6,079	(4,484)
Accrued self insurance	(3,387)	308
Other liabilities	(4,774)	2,932
Net cash flows provided by operating activities	10,695	33,624
Cash flows from investing activities:		
Proceeds from sale of property and equipment	1,980	230
Cash paid for acquired business	(11,374)	—
Purchases of property and equipment	(42,795)	(35,992)
Net cash flows used in investing activities	(52,189)	(35,762)
Cash flows from financing activities:		
Proceeds from exercise of stock options	1,823	450
Excess tax benefit from stock-based awards	1,676	390
Repurchase of common shares	(9,240)	(10,585)
Other financing activities	28	38
Net cash flows used in financing activities	(5,713)	(9,707)
Net decrease in cash and cash equivalents	(47,207)	(11,845)
Cash and cash equivalents:		
Beginning of period	77,636	76,454
End of period	$ 30,429	$ 64,609

The accompanying notes are an integral part of these consolidated financial statements.

MYR GROUP INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

1. Organization, Business and Basis of Presentation

Organization

MYR Group Inc. (the "Company") is a holding company of specialty electrical construction service providers that conducts operations through a number of wholly-owned subsidiaries including: The L. E. Myers Co., a Delaware corporation; Harlan Electric Company, a Michigan corporation; Great Southwestern Construction, Inc., a Colorado corporation; Sturgeon Electric Company, Inc., a Michigan corporation; E.S. Boulos Company, a Delaware corporation; MYR Transmission Services, Inc., a Delaware corporation; MYR Group Construction Canada, Ltd., a British Columbia corporation; MYR Transmission Services Canada, Ltd., a British Columbia corporation; and Northern Transmission Services, Ltd., a British Columbia corporation.

Business

The Company performs construction services in two business segments: Transmission and Distribution ("T&D"), and Commercial and Industrial ("C&I"). T&D customers include electric utilities, cooperatives, government-funded utilities and private developers. The Company provides a broad range of services, which include design, engineering, procurement, construction, upgrade, maintenance and repair services, with a particular focus on construction, maintenance and repair. The Company also provides C&I electrical contracting services to property owners and general contractors in the western and northeastern United States.

Interim Consolidated Financial Information

The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial reporting and pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures, normally included in annual financial statements prepared in accordance with U.S. GAAP, have been condensed or omitted pursuant to the rules and regulations of the SEC. The Company believes that the disclosures made are adequate to make the information presented not misleading. In the opinion of management all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the financial position, results of operations, comprehensive income and cash flows with respect to the interim consolidated financial statements have been included. The consolidated balance sheet as of December 31, 2014 has been derived from the audited financial statements as of that date. The results of operations and comprehensive income are not necessarily indicative of the results for the full year or the results for any future periods. These financial statements should be read in conjunction with the audited financial statements and related notes for the year ended December 31, 2014, included in the Company's annual report on Form 10-K, which was filed with the SEC on March 11, 2015.

Foreign Currency

The functional currency for the Company's Canadian operations is the Canadian dollar. Assets and liabilities denominated in Canadian dollars are translated into U.S. dollars at the end-of-period exchange rate. Revenues and expenses are translated using average exchange rates for the periods reported. Cumulative translation adjustments are included as a separate component of accumulated other comprehensive income in shareholders' equity. Foreign currency transaction gains and losses, arising primarily from changes in exchange rates on foreign currency denominated balances, are recorded in the other, net line on the consolidated statements of operations.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. Actual results could differ from those estimates. The most significant estimates are related to the completion percentages on our contracts, insurance reserves, estimates surrounding stock-based compensation, the recoverability of goodwill and intangibles and accounts receivable reserves.

The percentage of completion method of accounting requires the Company to make estimates about the expected revenue and gross profit on each of its contracts in process. The estimates are reviewed and revised quarterly, as needed. During the three months ended September 30, 2015, changes in estimates pertaining to certain projects resulted in decreased consolidated gross margin of 0.5%. The Company's income from operations for the three months ended September 30, 2015 decreased $1.3 million due to the changes in estimated gross profit. These changes in estimates resulted in decreases of $0.8 million in net income or $0.04 in diluted earnings per common share during the three months ended September 30, 2015. During the nine months ended September 30, 2015, changes in estimates pertaining to certain projects, the majority of which were transmission projects, resulted in increased consolidated gross margin of 0.5%. The Company's income from operations for the nine months ended September 30, 2015 increased $3.5 million due to the changes in estimated gross profit. These changes in estimates resulted in increases of $2.2 million in net income or $0.10 in diluted earnings per common share during the nine months ended September 30, 2015. During the three and nine months ended September 30, 2014, changes in estimates pertaining to certain transmission projects, resulted in increased consolidated gross margin of 1.0% and 1.7%, respectively. The Company's income from operations for the three and nine months ended September 30, 2014 increased $2.4 million and $11.7 million, respectively, due to the changes in estimated gross profit. These changes in estimates resulted in increases of $1.5 million and $7.3 million, respectively, in net income or $0.07 and $0.34, respectively, in diluted earnings per common share during the three and nine months ended September 30, 2014.

Recent Accounting Pronouncements

Changes to U.S. GAAP are typically established by the Financial Accounting Standards Board ("FASB") in the form of accounting standards updates ("ASUs") to the FASB's Accounting Standards Codification ("ASC"). The Company considers the applicability and impact of all ASUs. The Company, based on its assessment, determined that any recently issued or proposed ASUs not listed below are either not applicable to the Company or adoption will have minimal impact on our consolidated financial statements.

Recently Issued Accounting Pronouncements

In September, 2015, the FASB issued ASU 2015-16 Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments. The amendments in ASU 2015-16 simplify the accounting for adjustments to provisional amounts by eliminating the requirements to record those adjustments retrospectively. The update is effective for annual reporting periods, and interim periods within those reporting periods, beginning after December 15, 2015. Early adoption is permitted for financial statements that have not been issued. The Company elected to adopt ASU 2015-16 in September, 2015, which did not have a significant impact on the Company's financial statements.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606). The amendments under this pronouncement may change how an entity recognizes revenue from contracts it enters to transfer goods, services or nonfinancial assets to its customers. These changes created a comprehensive framework for all entities in all industries to apply in the determination of when to recognize revenue, and, therefore, supersede virtually all existing revenue recognition requirements and guidance. This framework is expected to result in less complex guidance in application while providing a consistent and comparable methodology for revenue recognition. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: Step 1: Identify the contract(s) with the customer; Step 2: Identify the performance obligations in the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price to the performance obligations in the contract; Step 5: Recognize revenue when, or as, the entity satisfies the performance obligations. In addition, the amendments require expanded disclosure to enable the users of the financial statements to understand the nature, timing and uncertainty of revenue and cash flow arising from contracts with customers. The update is effective for annual reporting periods, and interim periods within those reporting periods, beginning after December 15, 2016. On August 16, 2015, the FASB deferred the effective date by one year to December 15, 2017 for annual reporting periods beginning after that date, permitting early adoption of the standard, but not before the original effective date of December 15, 2016. The Company is evaluating the impact of this pronouncement on its policies and procedures pertaining to recognition of revenue from contracts with customers, the pronouncement's expanded disclosure requirements and the impact on the Company's financial statements.

2. Acquisitions

On April 13, 2015, the Company acquired substantially all of the assets of E.S. Boulos Company ("ESB"), one of New England's largest and most experienced electrical contractors with over 95 years in operation, from a subsidiary of Eversource Energy. The total consideration paid was approximately $11.4 million, subject to working capital adjustments, which was funded through existing cash resources of the Company. Headquartered in Westbrook, Maine, ESB offers construction capabilities under the Company's T&D segment, including substation, transmission and distribution construction. ESB also provides commercial and industrial electrical construction under the Company's C&I segment, including a wide range of commercial electrical construction services.

The results of operations for ESB are included in the Company's consolidated statement of operations and the T&D and C&I segments from the date of acquisition. The preliminary purchase price allocation is subject to final review and approval, and thus all required purchase accounting adjustments are expected to be finalized by the end of 2015. Costs of approximately $0.4 million related to the acquisition were included in selling, general and administrative expenses in the consolidated statement of operations.

The following table summarizes the provisional fair values of the assets acquired and the liabilities assumed as of the date of acquisition:

	(as of acquisition date) April 13, 2015	Measurement Period Adjustments	(adjusted acquisition amounts as of) September 30, 2015
Total consideration	$ 11,374	$ —	$ 11,374
Accounts receivable	$ 10,662	$ —	$ 10,662
Costs and estimated earnings in excess of billings on uncompleted contracts	2,102	—	2,102
Other current assets	59	—	59
Property and equipment	1,778	252	2,030
Intangible assets		—	—
Accounts payable	(3,621)	—	(3,621)
Billings in excess of costs and estimated earnings on uncompleted contracts	(1,490)	—	(1,490)
Other current liabilities	(437)	—	(437)
Net identifiable assets	9,053	252	9,305
Goodwill	$ 2,321	$ (252)	$ 2,069

Further adjustments are expected to the allocation as third party valuations of identifiable intangible assets, including trade names, customer relationships, and backlog are finalized, and as working capital adjustments are finalized. The goodwill to be recognized, which represents the excess of the purchase price over the net amount of the fair values assigned to assets acquired and liabilities assumed, is primarily attributable to the value of an assembled workforce. All of the goodwill and identifiable intangible assets are expected to be tax deductible per applicable IRS regulations.

3. Fair Value Measurements

The Company uses the three-tier hierarchy of fair value measurement, which prioritizes the inputs used in measuring fair value based upon their degree of availability in external active markets. These tiers include: Level 1 (the highest priority), defined as observable inputs, such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3 (the lowest priority), defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

As of September 30, 2015 and December 31, 2014, the carrying value of the Company's cash and cash equivalents approximated fair value based on Level 1 inputs.

4. Contracts in Process

The net asset position for contracts in process consisted of the following:

(In thousands)	**September 30, 2015**	**December 31, 2014**
Costs and estimated earnings on uncompleted contracts	$ 2,065,572	$ 1,746,507
Less: Billings to date	2,033,232	1,740,019
	$ 32,340	$ 6,488

The net asset position for contracts in process included in the accompanying consolidated balance sheets was as follows:

(In thousands)	September 30, 2015	December 31, 2014
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 78,030	$ 44,609
Billings in excess of costs and estimated earnings on uncompleted contracts	(45,690)	(38,121)
	$ 32,340	$ 6,488

5. Income Taxes

The difference between the U.S. federal statutory tax rate of 35% and the Company's effective tax rates for the three and nine months ended September 30, 2015 and 2014 was principally due to state income taxes.

The Company had unrecognized tax benefits of approximately $0.7 million as of September 30, 2015 and December 31, 2014, which were included in other liabilities in the accompanying consolidated balance sheets.

The Company's policy is to recognize interest and penalties related to income tax liabilities as a component of income tax expense in the consolidated statements of operations. The amount of interest and penalties charged to income tax expense because of the unrecognized tax benefits was not material for the three and nine months ended September 30, 2015 and 2014.

The Company is subject to taxation in various jurisdictions. The Company's tax returns for 2012 through 2014 are currently under examination by U.S. federal authorities. The company's tax returns are subject to examination by various state authorities for the years 2011 through 2014.

6. Commitments and Contingencies

Letters of Credit

As of September 30, 2015 and December 31, 2014, the Company had irrevocable standby letters of credit outstanding of approximately $19.3 million, including $17.5 million related to the Company's payment obligation under its insurance programs and approximately $1.8 million related to contract performance obligations.

Leases

The Company leases real estate, construction equipment and office equipment under operating leases with remaining terms ranging from one to six years. As of September 30, 2015, future minimum lease payments for operating leases were as follows: $0.4 million for the remainder of 2015, $1.2 million for 2016, $0.7 million for 2017, $0.6 million for 2018, $0.4 million for 2019 and $0.2 million thereafter.

Purchase Commitments

As of September 30, 2015, the Company had approximately $1.2 million in outstanding purchase orders for certain construction equipment, with cash outlay requirements scheduled to occur over the next three months.

Insurance and Claims Accruals

The Company carries insurance policies, which are subject to certain deductibles, for workers' compensation, general liability, automobile liability and other coverages. The deductible per occurrence for each line of coverage is up to $1.0 million, except for certain of the Company's health benefit plans, which are subject to a $0.1 million deductible for qualified individuals. Losses up to the deductible amounts are accrued based upon the Company's estimates of the ultimate liability for claims reported and an estimate of claims incurred but not yet reported.

The insurance and claims accruals are based on known facts, actuarial estimates and historical trends. While recorded accruals are based on the ultimate liability, which includes amounts in excess of the deductible, a corresponding receivable for amounts in excess of the deductible is included in current assets in the consolidated balance sheets.

Performance and Payment Bonds

In certain circumstances, the Company is required to provide performance and payment bonds in connection with its future performance on certain contractual commitments. The Company has indemnified its surety for any expenses paid out under these bonds. As of September 30, 2015, an aggregate of approximately $969.9 million in original face amount of bonds issued by the surety were outstanding. Our estimated remaining cost to complete these bonded projects was approximately $110.0 million as of September 30, 2015.

Indemnities

From time to time, pursuant to its service arrangements, the Company indemnifies its customers for claims related to the services it provides under those service arrangements. These indemnification obligations may subject the Company to indemnity claims and liabilities and related litigation. The Company is not aware of any material unrecorded liabilities for asserted claims in connection with these indemnification obligations.

Multi-employer Pension Plans

Many of the Company's subsidiaries' craft labor employees are covered by collective bargaining agreements. The agreements require the subsidiaries to pay specified wages, provide certain benefits and contribute certain amounts to multi-employer pension plans. If a subsidiary withdraws from any of the multi-employer pension plans or if the plans were to otherwise become underfunded, the subsidiary could be assessed liabilities for additional contributions related to the underfunding of these plans. Although the Company has been informed that some of the multi-employer pension plans to which its subsidiaries contribute have been classified as "critical" status, the Company is not currently aware of any significant liabilities related to this issue.

Litigation and Other Legal Matters

The Company is from time-to-time party to various lawsuits, claims, and other legal proceedings that arise in the ordinary course of business. These actions typically seek, among other things, compensation for alleged personal injury, breach of contract and/or property damages, punitive damages, civil penalties or other losses, or injunctive or declaratory relief.

The Company is routinely subject to other civil claims, litigation and arbitration, and regulatory investigations arising in the ordinary course of our business as well as in respect of our divested businesses. These claims, lawsuits and other proceedings include claims related to the Company's current services and operations, as well as our historic operations.

With respect to all such lawsuits, claims and proceedings, the Company records reserves when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. The Company does not believe that any of these proceedings, separately or in the aggregate, would be expected to have a material adverse effect on the Company's financial position, results of operations or cash flows.

7. Stock-Based Compensation

The Company maintains two equity compensation plans under which stock-based compensation has been granted, the 2006 Stock Option Plan (the "2006 Plan") and the 2007 Long-Term Incentive Plan (as amended) (the "LTIP"). Upon the adoption of the LTIP in 2007, awards were no longer granted under the 2006 Plan. The LTIP provides for grants of (a) incentive stock options qualified as such under U.S. federal income tax laws, (b) stock options that do not qualify as incentive stock options, (c) stock appreciation rights, (d) restricted stock awards, (e) performance awards, (f) phantom stock, (g) stock bonuses, (h) dividend equivalents, and (i) any combination of such awards.

All awards were made with an exercise price or base price, as the case may be, that was not less than the fair market value per share on the grant date. The grant date fair value of restricted stock awards and performance share awards with performance conditions was equal to the closing market price of the Company's common stock on the date of grant. The grant date fair value of performance share awards with market conditions was measured using a Monte Carlo simulation model.

During the nine months ended September 30, 2015, plan participants exercised 248,919 options with a weighted average exercise price of $7.32.

During the nine months ended September 30, 2015, the Company granted 74,375 shares of restricted stock, which vest ratably over three years, at a weighted average grant date fair value of $30.00. Additionally, 82,959 shares of restricted stock vested during the nine months ended September 30, 2015, at a weighted average grant date fair value of $21.80.

During the nine months ended September 30, 2015, the Company granted 3,804 shares of phantom stock units to its Canadian directors, at a weighted average grant date fair value of $29.57. The phantom stock units will be settled in stock and will vest ratably over three years.

During the nine months ended September 30 2015, the Company granted 69,978 performance shares, at target, which cliff vest on December 31, 2017. The grant of performance shares was split evenly between performance metrics of return on invested capital ("ROIC"), an internal performance measure, and total shareholder return ("TSR"), a market performance measure.

ROIC is defined as net income, less any dividends, divided by stockholders' equity plus net debt (total debt less cash and marketable securities) at the beginning of the performance period. The ROIC-based target shares awarded were valued at $30.16, which represented the closing price of the Company's stock on the date of grant, and ROIC is measured over a three-year performance period ending December 31, 2017.

TSR is defined as the change in the fair market value, adjusted for dividends, of a company's stock. The TSR of the Company's stock will be compared to the TSR of a peer group of companies defined at the time of the grant. The TSR awards are calculated using the average stock price of the 20 trading days prior to January 1, 2015 and compared to the average stock price of the 20 trading days prior to December 31, 2017. Because TSR is a market-based performance metric, the Company used a Monte Carlo simulation model to calculate the fair value of the grant, which resulted in a fair value of $47.24 per share.

8. Segment Information

MYR Group is a specialty contractor serving the electrical infrastructure market. The Company has two reporting segments, each a separate operating segment, which are referred to as T&D and C&I. Performance measurement and resource allocation for the reporting segments are based on many factors. The primary financial measures used to evaluate the segment information are contract revenues and income from operations, excluding general corporate expenses. General corporate expenses include corporate facility and staffing costs, which includes safety, professional fees, management fees, and intangible amortization. The accounting policies of the segments are the same as those described in the Summary of Significant Accounting Policies in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Transmission and Distribution: The T&D segment provides a broad range of services on electric transmission and distribution networks and substation facilities, which include design, engineering, procurement, construction, upgrade, and maintenance and repair services, with a particular focus on construction, maintenance and repair. T&D services include the construction and maintenance of high voltage transmission lines, substations and lower voltage underground and overhead distribution systems. The T&D segment also provides emergency restoration services in response to hurricane, ice or other storm-related damage. T&D customers include electric utilities, cooperatives, government-funded utilities and private developers.

Commercial and Industrial: The C&I segment provides services such as the design, installation, maintenance and repair of commercial and industrial wiring, installation of traffic networks and the installation of bridge, roadway and tunnel lighting. Typical C&I contracts cover electrical contracting services for airports, hospitals, data centers, hotels, stadiums, convention centers, manufacturing plants, processing facilities, waste-water treatment facilities, mining facilities and transportation control and management systems. C&I segment services are generally in the western and northeastern United States.

The information in the following table was derived from internal financial reports used for corporate management purposes:

(In thousands)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Contract revenues:				
T&D	$ 203,864	$ 179,960	$ 593,670	$ 508,385
C&I	65,997	68,513	196,827	184,603
	$ 269,861	$ 248,473	$ 790,497	$ 692,988
Income from operations:				
T&D	$ 13,929	$ 16,892	$ 47,476	$ 47,636
C&I	2,780	5,427	9,540	13,149
General Corporate	(6,790)	(8,912)	(22,476)	(24,851)
	$ 9,919	$ 13,407	$ 34,540	$ 35,934

For the three months and nine months ended September 30, 2015, contract revenues attributable to the Company's Canadian operations were $0.3 million and $0.6 million, respectively.

9. Earnings Per Share

The Company computes earnings per share using the two-class method, an earnings allocation formula that determines earnings per share for common stock and participating securities according to dividends declared and participation rights in undistributed earnings, when that method results in a more dilutive effect than the treasury method. The Company's unvested grants of restricted stock granted prior to 2014 contain non-forfeitable rights to dividends, should any be declared, and are treated as participating securities and included in the computation of earnings per share.

The restricted shares granted after 2013 contain a provision making the payment of dividends contingent upon vesting of the shares. These shares are not participating shares because any accumulated unvested dividends are forfeited, along with the shares, if the awards fail to vest. These non-participating shares are excluded from the computation of net income allocated to participating securities in the table below, but are included in the computation of weighted average dilutive securities, unless their inclusion would be anti-dilutive.

Net income available to common shareholders and the weighted average number of common shares used to compute basic and diluted earnings per share was as follows:

(In thousands, except per share data)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Numerator:				
Net income	$ 6,175	$ 8,404	$ 21,421	$ 22,417
Less: Net income allocated to participating securities	(25)	(58)	(103)	(176)
Net income available to common shareholders	$ 6,150	$ 8,346	$ 21,318	$ 22,241
Denominator:				
Weighted average common shares outstanding	20,788	20,988	20,662	21,040
Weighted average dilutive securities	426	533	451	496
Weighted average common shares outstanding, diluted	21,214	21,521	21,113	21,536
Income per common share, basic	$ 0.30	$ 0.40	$ 1.03	$ 1.06
Income per common share, diluted	$ 0.29	$ 0.39	$ 1.01	$ 1.03

For the three and nine month periods ended September 30, 2015 and 2014, certain common stock equivalents were excluded from the calculation of dilutive securities because their inclusion would either have been anti-dilutive or, for stock options, the exercise prices of those stock options were greater than the average market price of the Company's common stock for the period. All of the Company's non-participating unvested restricted shares were included in the computation of weighted average dilutive securities. The following table summarizes the shares of common stock underlying the Company's unvested stock options and performance awards that were excluded from the calculation of dilutive securities:

	Three months ended September 30,		Nine months ended September 30,	
(In thousands)	**2015**	**2014**	**2015**	**2014**
Stock options	4	103	2	104
Performance awards	35	—	35	84

Share Repurchases

During the nine months ended September 30, 2015, the Company repurchased 374,963 shares of its common stock at a weighted-average price of $26.88 per share; 327,232 of those shares were purchased under its stock repurchase program (the "Repurchase Program"), for approximately $8.7 million, $7.8 million of which had settled as of September 30, 2015. Additionally, the Company repurchased 47,731 shares of stock, for approximately $1.4 million, from its employees to satisfy tax obligations on shares vested under the LTIP program. All of the shares repurchased were retired and returned to authorized but unissued stock.

On July 30, 2015, the Company's Board of Directors approved an amended Repurchase Program, which increased the program from $25.0 million to $42.5 million, and extended the term of the program through August 31, 2016. With the amendment, the remaining availability to purchase shares under the Repurchase Program increased to $25.0 million, of which $18.1 million was available for repurchase as of September 30, 2015.

10. Subsequent Event

On October 19, 2015, the Company announced the appointment of Betty R. Johnson as the Company's Senior Vice President, Chief Financial Officer and Treasurer, effective as of that date. Ms. Johnson replaces Paul J. Evans, who previously served in the role of Vice President, Chief Financial Officer and Treasurer. The Company determined that this transition should be treated as a subsequent event, with the financial impact recorded in the fourth quarter of 2015. Pursuant to the terms of Mr. Evans' employment agreement, he is entitled to salary and benefits through his date of termination, two times his annual salary, two times his annual bonus at target, and Company funded benefit continuation coverage for himself and eligible dependents for two years. Under the circumstances of Mr. Evans' departure, Mr. Evans' equity grant agreements provide for accelerated vesting of his unvested stock options and restricted stock awards. As a result, the Company will record approximately $1.3 million of incremental expense in the fourth quarter of 2015. Additionally, Mr. Evans will be entitled to a pro-rated payout of unvested performance shares after the performance period ends. Future expense pertaining to the pro-rated payout will be adjusted quarterly based on forecasted performance.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the accompanying unaudited consolidated financial statements as of September 30, 2015 and December 31, 2014, and for the three and nine months ended September 30, 2015 and 2014, and with our Annual Report on Form 10-K for the year ended December 31, 2014 (the "2014 Annual Report"). In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause actual results to differ materially from management's expectations. Factors that could cause such differences are discussed herein under the captions "Cautionary Statement Concerning Forward-Looking Statements and Information" and "Risk Factors," as well as in the 2014 Annual Report. We assume no obligation to update any of these forward-looking statements.

Overview and Outlook

We are a leading specialty contractor serving the electrical infrastructure market throughout the United States. We also have operations in parts of Canada. We manage and report our operations through two industry segments: T&D and C&I. We have operated in the T&D industry since 1891. We are one of the largest contractors servicing the T&D sector of the electric utility industry in the United States, and our customers include many of the leading companies in the electric industry. We provide C&I electrical contracting services to facility owners and general contractors generally in the western and northeastern United States. We have operated in the C&I industry since 1912. We strive to maintain our status as a preferred provider to our T&D and C&I customers.

We had consolidated revenues for the nine months ended September 30, 2015 of $790.5 million, of which 75.1% was attributable to our T&D customers and 24.9% was attributable to our C&I customers. Our consolidated revenues for nine months ended September 30, 2014 were $693.0 million. For the nine months ended September 30, 2015, our net income and EBITDA (1) were $21.4 million and $62.9 million, respectively, compared to $22.4 million and $60.9 million, respectively, for the nine months ended September 30, 2014. Our financial results for the nine months ended September 30, 2015 benefited from margin adjustments due to performance incentives, change orders and close-outs. It is unlikely that future periods will benefit to a similar extent from such favorable developments.

We expect bidding activity to remain strong in both our T&D and C&I segments for the remainder of 2015 and 2016. Although competition remains strong in our T&D segment, we expect that our centralized fleet and skilled workforce will continue to benefit us in securing and executing profitable projects. The sizes of the T&D projects we are currently performing are generally smaller and of shorter duration than those experienced a few years ago. These smaller, shorter duration projects often result in lower margins because of greater competition, reduced fleet utilization rates and the cost of transitioning from project to project. While the transmission projects being bid on this year represent a good mix of projects, including a number of larger, longer duration projects, there is often a significant lag from when a project is awarded to when the revenues and costs are recognized. Several of the recently bid larger, longer-duration projects contain a higher percentage of material and subcontractor costs when compared to recent history and we typically add less mark-up to material and subcontractor costs in our bid estimates than the mark-up applied to our labor and owned equipment. This could lead to lower overall margins depending on our awarded portfolio of work. Additionally, competition, project execution, adverse weather and project delays, among other factors, have impacted our margins in the past and could affect our margins in the future. Spending by clients on their distribution systems appears to be generally improving; however, this business can be highly variable from quarter to quarter in response to weather, client budget constraints and regulatory pressures. Contract margins and fleet billing rates are generally lower in our distribution business than what we realize in our transmission business. The C&I segment continues to benefit from robust bidding activity and we continue to explore further expansion into new markets. The C&I segment, in part due to intense competition, has not provided overall contract margin opportunities comparable to our T&D segment.

Our future growth may be organic, or through acquisitions or joint ventures that could improve our competitive position within our existing markets, expand our customer base or expand our geographic footprint. On April 13, 2015, we acquired substantially all of the assets of ESB Company, which we expect will enhance our T&D presence in the northeast United States and further expand our C&I presence outside of our existing markets. In the second quarter of 2015, we were awarded our first project in Canada and have commenced work in Manitoba. We continue to review bidding opportunities in Canada and believe the economic environment in Canada could present favorable bidding opportunities for the remainder of 2015 and 2016. We continue to invest in developing key management and craft personnel in both our T&D and C&I markets and in procuring the specialty equipment and tooling needed to win and execute projects of all sizes and complexity. We ended the third quarter of 2015 with cash and cash equivalents of $30.4 million, no outstanding debt and availability of $155.7 million under our credit facility. We believe that our financial position and operational strengths will enable us to manage the current challenges and uncertainties in the markets we serve and give us the flexibility for further strategic investments.

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(1) EBITDA is a non-GAAP measure. Refer to "Non-GAAP Measure—EBITDA" for a discussion of this measure.

Backlog

We define backlog as our estimated revenue on uncompleted contracts, including the amount of revenue on contracts for which work has not begun, less the revenue we have recognized under such contracts. A customer's intention to award us work under a fixed-price contract is not included in backlog unless there is an actual award to perform a specific scope of work at specific terms and pricing. For many of our unit-price, time-and-equipment, time-and-materials and cost plus contracts, we only include projected revenue for a three-month period in the calculation of backlog, although these types of contracts are generally awarded as part of master service agreements that typically have a one-year to three-year duration from execution. Backlog may not accurately represent the revenues that we expect to realize during any particular period. Several factors such as the timing of contract awards, the type and duration of contracts, and the mix of subcontractor and material costs in our projects can impact our backlog at any point in time. Some of our revenue does not appear in our periodic backlog reporting because the award of the project, as well as the execution of the work, may all take place within the period. Our backlog only includes projects that have a signed contract or an agreed upon work order to perform work on mutually accepted terms and conditions. Backlog should not be relied upon as a stand-alone indicator of future events.

Our backlog was $425.1 million at September 30, 2015 compared to $410.7 million at June 30, 2015 and $409.0 million at September 30, 2014. Our backlog at September 30, 2015 increased $14.4 million or 3.5% from June 30, 2015. Backlog in the T&D segment increased $19.8 million and C&I backlog decreased $5.4 million compared to June 30, 2015.

The following table summarizes that amount of our backlog that we believe to be firm as of the dates shown and the amount of our current backlog that we reasonably estimate will not be recognized within the next twelve months:

	Backlog at September 30, 2015		
(In thousands)	**Total**	**Amount estimated to not be recognized within 12 months**	**Total backlog at December 31, 2014**
T&D	$ 295,626	$ 23,149	$ 320,435
C&I	129,503	3,447	113,206
Total	$ 425,129	$ 26,596	$ 433,641

Project Bonding Requirements

A substantial portion of our business requires performance and payment bonds or other means of financial assurance to secure contractual performance. These bonds are typically issued at the face value of the contract awarded. If we fail to perform or pay our subcontractors or vendors, the customer may demand that the surety provide services or make payments under the bond. In such a case, we would likely be required to reimburse the surety for any expenses or outlays it incurs. To date, we have not been required to make any reimbursements to our surety for claims against the surety bonds. As of September 30, 2015, we had approximately $969.9 million in original face amount of surety bonds outstanding. Our estimated remaining cost to complete these bonded projects was approximately $110.0 million as of September 30, 2015.

Consolidated Results of Operations

The following table sets forth selected consolidated statements of operations data and such data as a percentage of revenues for the periods indicated:

(Dollars in thousands)	Three months ended September 30, 2015 Amount	2015 Percent	2014 Amount	2014 Percent	Nine months ended September 30, 2015 Amount	2015 Percent	2014 Amount	2014 Percent
Contract revenues	$ 269,861	100.0%	$ 248,473	100.0%	$ 790,497	100.0%	$ 692,988	100.0%
Contract costs	241,241	89.4	215,749	86.8	700,767	88.6	602,656	87.0
Gross profit	28,620	10.6	32,724	13.2	89,730	11.4	90,332	13.0
Selling, general and administrative expenses	18,974	7.0	19,282	7.8	56,513	7.2	54,267	7.8
Amortization of intangible assets	84	—	83	—	251	—	250	—
Gain on sale of property and equipment	(357)	(0.1)	(48)	—	(1,574)	(0.2)	(119)	—
Income from operations	9,919	3.7	13,407	5.4	34,540	4.4	35,934	5.2
Other income (expense)								
Interest income	8	—	57	—	23	—	90	—
Interest expense	(180)	(0.1)	(179)	(0.1)	(546)	(0.1)	(534)	(0.1)
Other, net	438	0.2	2	—	349	—	164	—
Income before provision for income taxes	10,185	3.8	13,287	5.3	34,366	4.3	35,654	5.1
Income tax expense	4,010	1.5	4,883	1.9	12,945	1.6	13,237	1.9
Net income	$ 6,175	2.3%	$ 8,404	3.4%	$ 21,421	2.7%	$ 22,417	3.2%

Three Months Ended September 30, 2015 Compared to Three Months Ended September 30, 2014

Revenues. Revenues increased $21.4 million, or 8.6%, to $269.9 million for the three months ended September 30, 2015 from $248.5 million for the three months ended September 30, 2014. The increase was primarily due to higher T&D revenues from jobs of all sizes and the acquisition of ESB. Material and subcontractor costs comprised approximately 31% and 36% of total contract costs in the three months ended September 30, 2015 and 2014, respectively.

Gross margin. Gross margin decreased to 10.6% for the three months ended September 30, 2015 from 13.2% for the three months ended September 30, 2014. The year-over-year decline in gross margin was primarily due to lower bid margins caused by increased competition in many of our markets, an increase in shorter duration jobs (which affects fleet utilization, labor productivity and mobilization and demobilization costs) and certain underperforming jobs. Underperforming jobs include labor productivity below previous estimates as a result of excessive labor turnover and rework on certain jobs. Changes in estimates of gross profit on certain projects resulted in a gross margin decrease of 0.5% and an increase of 1.0% for the three months ended September 30, 2015 and 2014, respectively.

Gross profit. Gross profit decreased $4.1 million, or 12.5%, to $28.6 million for the three months ended September 30, 2015 from $32.7 million for the three months ended September 30, 2014, due to lower overall gross margin, partially offset by higher revenue.

Selling, general and administrative expenses. Selling, general and administrative expenses, which were $19.0 million for the three months ended September 30, 2015, decreased $0.3 million from $19.3 million for the three months ended September 30, 2014. The year-over-year decrease was due to lower bonus and profit sharing costs, partially offset by higher personnel costs to support operations. As a percentage of revenues, selling, general and administrative expenses decreased to 7.0% for the three months ended September 30, 2015 from 7.8% for the three months ended September 30, 2014.

Gain on sale of property and equipment. Gains from the sale of property and equipment in the three months ended September 30, 2015 were $0.4 million. There were no significant gains on the sale of property and equipment in the three months ended September 30, 2014. Gains from the sale of property and equipment are attributable to routine sales of property and equipment no longer useful or valuable to our ongoing operations.

Interest expense. Interest expense was $0.2 million for the three month periods ended September 30, 2015 and 2014.

Provision for income taxes. The provision for income taxes was $4.0 million for the three months ended September 30, 2015, with an effective tax rate of 39.4%, compared to a provision of $4.9 million for the three months ended September 30, 2014, with an effective tax rate of 36.8%. The increase in the effective rate was primarily caused by the year to date impact of lower domestic activities deductions and changes in the mix of business between states.

Net income. Net income decreased to $6.2 million for the three months ended September 30, 2015 from $8.4 million for the three months ended September 30, 2014. The decrease was primarily for the reasons stated earlier.

Segment Results

The following table sets forth, for the periods indicated, statements of operations data by segment, segment net sales as percentage of total net sales and segment operating income as a percentage of segment net sales:

	Three months ended September 30,			
	2015		2014	
(Dollars in thousands)	**Amount**	**Percent**	**Amount**	**Percent**
Contract revenues:				
Transmission & Distribution	$ 203,864	75.5%	$ 179,960	72.4%
Commercial & Industrial	65,997	24.5	68,513	27.6
Total	$ 269,861	100.0	$ 248,473	100.0
Operating income (loss):				
Transmission & Distribution	$ 13,929	6.8	$ 16,892	9.4
Commercial & Industrial	2,780	4.2	5,427	7.9
Total	16,709	6.2	22,319	9.0
Corporate	(6,790)	(2.5)	(8,912)	(3.6)
Consolidated	$ 9,919	3.7%	$ 13,407	5.4%

Transmission & Distribution

Revenues for our T&D segment for the three months ended September 30, 2015 were $203.9 million compared to $180.0 million for the three months ended September 30, 2014, an increase of $23.9 million, or 13.3%. The increase in revenue was primarily due to an increase in the number of jobs of all sizes. Material and subcontractor costs in our T&D segment comprised approximately 25% of total contract costs in the three months ended September 30, 2015, compared to approximately 34% in the three months ended September 30, 2014.

Revenues from transmission projects represented 70.9% and 75.2% of T&D segment revenue for the three months ended September 30, 2015 and 2014, respectively. Additionally, for the three months ended September 30, 2015, measured by revenue in our T&D segment, we provided 46.6% of our T&D services under fixed-price contracts, as compared to 51.2% for the three months ended September 30, 2014.

Operating income for our T&D segment for the three months ended September 30, 2015 was $13.9 million, a decrease of $3.0 million from the three months ended September 30, 2014. The year-over-year decline in operating income compared to the three months ended September 2014 was due primarily to lower bid margins caused by increased competition in many of our markets, an increase in the number of shorter duration projects (which affects fleet utilization, labor productivity and mobilization and demobilization costs), certain underperforming jobs due to labor productivity below previous estimates, and incremental costs associated with expansion into new geographic markets, partially offset by higher revenue and a decrease in the number of projects with a lower mix of material and subcontractor costs (which tend to have lower margins than self-performed work). As a percentage of revenues, operating income for our T&D segment was 6.8% for the three months ended September 30, 2015 compared to 9.4% for the three months ended September 30, 2014.

Commercial & Industrial

Revenues for our C&I segment for the three months ended September 30, 2015 were $66.0 million compared to $68.5 million for the three months ended September 30, 2014, a decrease of $2.5 million or 3.7%, due primarily to lower revenue from large jobs, partially offset by the acquisition of ESB. Material and subcontractor costs in our C&I segment comprised approximately 49% of total contract costs in the three months ended September 30, 2015, compared to approximately 42% in the three months ended September 30, 2014.

Measured by revenue in our C&I segment, we provided 69.2% of our services under fixed-price contracts for the three months ended September 30, 2015, compared to 39.2% in the three months ended September 30, 2014.

Operating income for our C&I segment for the three months ended September 30, 2015 was $2.8 million, a decrease of $2.6 million over the three months ended September 30, 2014. The year-over-year decline in operating income compared to the three months ended September 30, 2014 was primarily attributable to lower bid margins caused by increased competition in many of our markets, certain underperforming jobs due to labor productivity below previous estimates as a result of excessive labor turnover and rework, and lower revenue. As a percentage of revenues, operating income for our C&I segment was 4.2% for the three months ended September 30, 2015 compared to 7.9% for the three months ended September 30, 2014.

Nine Months Ended September 30, 2015 Compared to Nine Months Ended September 30, 2014

Revenues. Revenues increased $97.5 million, or 14.1%, to $790.5 million for the nine months ended September 30, 2015 from $693.0 million for the nine months ended September 30, 2014. The increase was primarily due to higher T&D revenues from jobs of all sizes and the acquisition of ESB. Material and subcontractor costs comprised approximately 30% and 31% of total contract costs in the nine months ended September 30, 2015 and 2014, respectively.

Gross margin. Gross margin decreased to 11.4% for the nine months ended September 30, 2015 from 13.0% for the nine months ended September 30, 2014. The year-over-year decline in gross margin was primarily due to lower bid margins caused by increased competition in many of our markets, an increase in the number of shorter duration projects (which affects fleet utilization, labor productivity and mobilization and demobilization costs) and certain underperforming jobs. Underperforming jobs include labor productivity below previous estimates as a result of excessive labor turnover and rework on certain jobs. Changes in estimates of gross profit on certain projects resulted in gross margin increases of 0.5% and 1.7% for the nine months ended September 30, 2015 and 2014, respectively.

Gross profit. Gross profit decreased $0.6 million, or 0.7%, to $89.7 million for the nine months ended September 30, 2015 from $90.3 million for the nine months ended September 30, 2014, primarily due to lower gross margin partially offset by higher revenues.

Selling, general and administrative expenses. Selling, general and administrative expenses, which were $56.5 million for the nine months ended September 30, 2015, increased $2.2 million from $54.3 million for the nine months ended September 30, 2014. The increase in selling, general and administrative expenses for the nine months ended September 30, 2015 as compared to the nine months ended September 30, 2014 was primarily due to higher personnel costs to support operations and ESB acquisition costs, partially offset by lower bonus and profit sharing costs. As a percentage of revenues, selling, general and administrative expenses decreased to 7.2% for the nine months ended September 30, 2015 from 7.8% for the nine months ended September 30, 2014.

Gain on sale of property and equipment. Gains from the sale of property and equipment in the nine months ended September 30, 2015 were $1.6 million compared to $0.1 million in the nine months ended September 30, 2014. Gains from the sale of property and equipment are attributable to routine sales of property and equipment no longer useful or valuable to our ongoing operations.

Interest expense. Interest expense was $0.5 million for both of the nine month periods ended September 30, 2015 and 2014.

Provision for income taxes. The provision for income taxes was $12.9 million for the nine months ended September 30, 2015, with an effective tax rate of 37.7%, compared to a provision of $13.2 million for the nine months ended September 30, 2014, with an effective tax rate of 37.1%. The increase in the effective rate was primarily caused by lower domestic activities deductions and changes in the mix of business between states.

Net income. Net income decreased to $21.4 million for the nine months ended September 30, 2015 from $22.4 million for the nine months ended September 30, 2014. The decrease was primarily for the reasons stated earlier.

Segment Results

The following table sets forth, for the periods indicated, statements of operations data by segment, segment net sales as percentage of total net sales and segment operating income as a percentage of segment net sales:

	Nine months ended September 30,			
	2015		2014	
(Dollars in thousands)	Amount	Percent	Amount	Percent
Contract revenues:				
Transmission & Distribution	$ 593,670	75.1%	508,385	73.4%
Commercial & Industrial	196,827	24.9	184,603	26.6
Total	$ 790,497	100.0	$ 692,988	100.0
Operating income (loss):				
Transmission & Distribution	$ 47,476	8.0	$ 47,636	9.4
Commercial & Industrial	9,540	4.8	13,149	7.1
Total	57,016	7.2	60,785	8.8
Corporate	(22,476)	(2.8)	(24,851)	(3.6)
Consolidated	$ 34,540	4.4%	$ 35,934	5.2%

Transmission & Distribution

Revenues for our T&D segment for the nine months ended September 30, 2015 were $593.7 million compared to $508.4 million for the nine months ended September 30, 2014, an increase of $85.3 million, or 16.8%. The increase in revenue was primarily due to an increase in the number of jobs of all sizes. Material and subcontractor costs in our T&D segment comprised approximately 25% of total contract costs in the nine months ended September 30, 2015, compared to approximately 27% in the nine months ended September 30, 2014.

Revenues from transmission projects represented 74.6% and 79.1% of T&D segment revenue for the nine months ended September 30, 2015 and 2014, respectively. Additionally, for nine months ended September 30, 2015, measured by revenue in our T&D segment, we provided 48.1% of our T&D services under fixed-price contracts, as compared to 52.3% for the nine months ended September 30, 2014.

Operating income for our T&D segment for the nine months ended September 30, 2015 was $47.5 million, a decrease of $0.1 million from the nine months ended September 30, 2014. The year-over-year decline in operating income compared to the nine months ended September 30, 2014 was primarily due to lower bid margins caused by increased competition in many of our markets, an increase in the number of shorter duration projects (which affects fleet utilization, labor productivity and mobilization and demobilization costs), certain underperforming jobs due to labor productivity below previous estimates, and incremental costs associated with expansion into new geographic markets, partially offset by higher revenues. As a percentage of revenues, operating income for our T&D segment was 8.0% for the nine months ended September 30, 2015 compared to 9.4% for the nine months ended September June 30, 2014.

Commercial & Industrial

Revenues for our C&I segment for the nine months ended September 30, 2015 were $196.8 million compared to $184.6 million for the nine months ended September 30, 2014, an increase of $12.2 million or 6.6%, due primarily to the acquisition of ESB. Material and subcontractor costs in our C&I segment comprised approximately 46% of total contract costs in the nine months ended September 30, 2015, compared to approximately 45% in nine months ended September 30, 2014.

Measured by revenue in our C&I segment, we provided 70.3% of our services under fixed-price contracts for the nine months ended September 30, 2015, compared to 37.7% in the nine months ended September 30, 2014.

Operating income for our C&I segment for the nine months ended September 30, 2015 was $9.5 million, a decrease of $3.6 million over the nine months ended September 30, 2014. The year-over-year decline in operating income compared to the nine months ended September 30, 2014 was primarily due to lower bid margins caused by increased competition in many of our markets and certain underperforming jobs due to labor productivity below previous estimates as a result of excessive labor turnover and rework, partially offset by higher revenues. As a percentage of revenues, operating income for our C&I segment was 4.8% for the nine months ended September 30, 2015 compared to 7.1% for the nine months ended September 30, 2014.

Non-GAAP Measure—EBITDA

EBITDA, a performance measure used by management, is defined as net income plus: interest income and expense, provision for income taxes and depreciation and amortization, as shown in the following table. EBITDA, a non-GAAP financial measure, does not purport to be an alternative to net income as a measure of operating performance or to net cash flows provided by operating activities as a measure of liquidity. Because not all companies use identical calculations, this presentation of EBITDA may not be comparable to other similarly-titled measures of other companies. We use, and we believe investors benefit from the presentation of, EBITDA in evaluating our operating performance because it provides us and our investors with an additional tool to compare our operating performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our core operations. We believe that EBITDA is useful to investors and other external users of our financial statements in evaluating our operating performance and cash flow because EBITDA is widely used by investors to measure a company's operating performance without regard to items such as interest expense, taxes, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, book lives placed on assets, capital structure and the method by which assets were acquired.

Using EBITDA as a performance measure has material limitations as compared to net income, or other financial measures as defined under U.S. GAAP as it excludes certain recurring items, which may be meaningful to investors. EBITDA excludes interest expense or interest income; however, as we have borrowed money in order to finance transactions and operations, or invested available cash to generate interest income, interest expense and interest income are elements of our cost structure and can affect our ability to generate revenue and returns for our stockholders. Further, EBITDA excludes depreciation and amortization; however, as we use capital and intangible assets to generate revenues, depreciation and amortization are a necessary element of our costs and ability to generate revenue. Finally, EBITDA excludes income taxes; however, as we are organized as a corporation, the payment of taxes is a necessary element of our operations. As a result of these exclusions from EBITDA, any measure that excludes interest expense, interest income, depreciation and amortization and income taxes has material limitations as compared to net income. When using EBITDA as a performance measure, management compensates for these limitations by comparing EBITDA to net income in each period, to allow for the comparison of the performance of the underlying core operations with the overall performance of the company on a full-cost, after tax basis. Using both EBITDA and net income to evaluate the business allows management and investors to (a) assess our relative performance against our competitors, and (b) monitor our capacity to generate returns for our stockholders.

The following table provides a reconciliation of net income to EBITDA:

	Three months ended September 30,		Nine months ended September 30,	
(In thousands)	**2015**	**2014**	**2015**	**2014**
Net Income	$ 6,175	$ 8,404	$ 21,421	$ 22,417
Add:				
Interest expense, net	172	122	523	444
Income tax expense	4,010	4,883	12,945	13,237
Depreciation & amortization	9,699	8,531	28,018	24,801
EBITDA	$ 20,056	$ 21,940	$ 62,907	$ 60,899

We also use EBITDA as a liquidity measure. We believe that EBITDA is important in analyzing our liquidity because it is a key component of certain material covenants contained within our credit agreement (the "Credit Agreement"). Non-compliance with these financial covenants under the Credit Agreement—our interest coverage ratio and our leverage ratio—could result in our lenders requiring us to immediately repay all amounts borrowed. If we anticipated a potential covenant violation, we would seek relief from our lenders, likely causing us to incur additional cost, and such relief might not be available, or if available, might not be on terms as favorable as those in the Credit Agreement. In addition, if we cannot satisfy these financial covenants, we would be prohibited under the Credit Agreement from engaging in certain activities, such as incurring additional indebtedness, making certain payments, and acquiring or disposing of assets. Based on the information above, management believes that the presentation of EBITDA as a liquidity measure is useful to investors and relevant to their assessment of our capacity to service or incur debt, fund capital expenditures, and expand our operations.

The following table provides a reconciliation of EBITDA to net cash flows provided by operating activities:

(In thousands)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Provided By Operating Activities:				
EBITDA	$ 20,056	$ 21,940	$ 62,907	$ 60,899
Add/(subtract):				
Interest expense, net	(172)	(122)	(523)	(444)
Provision for income taxes	(4,010)	(4,883)	(12,945)	(13,237)
Depreciation & amortization	(9,699)	(8,531)	(28,018)	(24,801)
Adjustments to reconcile net income to net cash flows provided by operating activities	10,470	11,053	30,276	29,455
Changes in operating assets and liabilities	(14,979)	9,870	(41,002)	(18,248)
Net cash flows provided by operating activities	$ 1,666	$ 29,327	$ 10,695	$ 33,624

Liquidity and Capital Resources

As of September 30, 2015, we had cash and cash equivalents of $30.4 million and working capital of $142.5 million. We define working capital as current assets less current liabilities. During the nine months ended September 30, 2015, operating activities of our business provided net cash of $10.7 million, compared to $33.6 million of cash provided in the nine months ended September 30, 2014. Cash flow from operations is primarily influenced by demand for our services, operating margins, timing of contract performance and the type of services we provide to our customers. The year-over-year change in cash provided by operating activities was largely due to changes in various working capital accounts reflecting normal timing fluctuations in our operating activities. In particular, the gross amount of accounts receivable, costs and estimated earnings in excess of billings on uncompleted contracts, accounts payable and billings in excess of costs and estimated earnings on uncompleted contracts used cash of $32.5 million in the nine months ended September 30, 2015, compared to using cash of $23.4 million in the same period of 2014. The remainder of the year-over-year decline in cash provided by operating activities was primarily due to declines in self insurance reserves and a decline in other current liabilities, partially due to litigation settlements.

In the nine months ended September 30, 2015, we used net cash in investing activities of $52.2 million, consisting of $42.8 million for capital expenditures and $11.4 million to acquire ESB, partially offset by $2.0 million of proceeds from the sale of equipment.

In the first nine months of 2015, we used net cash of $5.7 million in financing activities, consisting of $9.2 million of cash used to purchase shares of our common stock, which was partially offset by proceeds from stock options and tax benefits related to our stock compensation programs. The $9.2 million of cash used to purchase shares of our common stock consisted of $7.8 million purchased under our Repurchase Program and $1.4 million to purchase shares surrendered by employees to satisfy employee tax obligations under our stock compensation program. On July 30, 2015, our Board of Directors approved an amended Repurchase Program, which increased the program from $25.0 million to $42.5 million and extended the term of the program through August 31, 2016. As of September 30, 2015, we had $18.1 million of remaining availability to purchase shares under the Repurchase Program.

We anticipate that our cash and cash equivalents on hand, $155.7 million borrowing availability under our credit facility, and future cash flow from operations will provide sufficient cash to enable us to meet our future operating needs, debt service requirements, capital expenditures, acquisition and joint venture opportunities, and purchases under our Repurchase Program. We expect that our capital spending in 2015 will be slightly higher than the capital spending in the last two years primarily due to a real estate purchase in the third quarter of 2015. Although we believe that we have adequate cash and availability under our credit agreement to meet our liquidity needs, any large projects or acquisitions may require additional capital.

The Company has not historically paid dividends and currently does not expect to pay dividends.

Debt Instruments

On December 21, 2011, we entered into a five-year syndicated Credit Agreement with a facility of $175.0 million (the "Facility"). The entire Facility is available for revolving loans and the issuance of letters of credit and up to $25.0 million is available for swingline loans. We have the option to increase the commitments under the Facility or enter into incremental term loans, subject to certain conditions, by up to an additional $75.0 million upon receipt of additional commitments from new or existing lenders.

Revolving loans under the Facility bear interest, at our option, at either (1) ABR, which is the greatest of the Prime Rate, the Federal Funds Effective Rate plus 0.50% or adjusted LIBOR plus 1.00%, plus in each case an applicable margin ranging from 0.00% to 1.00%; or (2) adjusted LIBOR plus an applicable margin ranging from 1.00% to 2.00%. The applicable margin is determined based on our Leverage Ratio, defined under the Credit Agreement as consolidated total indebtedness divided by consolidated EBITDA, as defined by the Credit Agreement. Letters of credit issued under the Facility are subject to a letter of credit fee of 1.00% to 2.00%, based on our Leverage Ratio and a fronting fee of 0.125%. Swingline loans bear interest at the ABR Rate. We are required to pay a 0.2% commitment fee on the unused portion of the Facility.

Subject to certain exceptions, the Facility is secured by substantially all of our assets and the assets of all of our subsidiaries and by a pledge of all of the capital stock of our subsidiaries. Our subsidiaries also guarantee the repayment of all amounts due under the Facility. The Credit Agreement provides for customary events of default. If an event of default occurs and is continuing, on the terms and subject to the conditions set forth in the Credit Agreement, amounts outstanding under the Facility may be accelerated and may become or be declared immediately due and payable.

Under the Credit Agreement, we are subject to certain financial covenants and must maintain a maximum Leverage Ratio of 3.0, and a minimum interest coverage ratio of 3.0, defined under the Credit Agreement as Consolidated EBITDA divided by interest expense. We were in compliance with all of our debt covenants at September 30, 2015. The Credit Agreement also contains a number of covenants including limitations on asset sales, investments, indebtedness and liens.

As of September 30, 2015 and December 31, 2014, we had no debt outstanding. As of September 30, 2015 and December 31, 2014, we had irrevocable standby letters of credit outstanding of approximately $19.3 million, including $17.5 million related to our payment obligation under our insurance programs and approximately $1.8 million related to contract performance obligations.

Off-Balance Sheet Transactions

As is common in our industry, we enter into certain off-balance sheet arrangements in the ordinary course of business that result in risks not directly reflected on our balance sheets. Our significant off-balance sheet transactions such as liabilities associated with non-cancelable operating leases, letter of credit obligations and surety guarantees could be entered into in the normal course of business. We have not engaged in any off-balance sheet financing arrangements through special purpose entities.

For a discussion regarding off-balance sheet transactions, refer to Note 6, "Commitments and Contingencies" in the accompanying Notes to Consolidated Financial Statements.

Concentration of Credit Risk

We grant trade credit under normal payment terms, generally without collateral, to our customers, which include high credit quality electric utilities, governmental entities, general contractors and builders, owners and managers of commercial and industrial properties located in the United States. Consequently, we are subject to potential credit risk related to changes in business and economic factors throughout the United States. However, we generally have certain statutory lien rights with respect to services provided. Under certain circumstances such as foreclosures or negotiated settlements, we may take title to the underlying assets in lieu of cash in settlement of receivables. As of September 30, 2015, one customer individually exceeded 10.0% of consolidated accounts receivable with approximately 11.7% of the total consolidated accounts receivable amount (excluding the impact of allowance for doubtful accounts). As of September 30, 2014, two customers individually exceeded 10.0% of consolidated accounts receivable with approximately 13.4% and 10.9% of the total consolidated accounts receivable amount (excluding the impact of allowance for doubtful accounts). Management believes the terms and conditions in its contracts, billing and collection policies are adequate to minimize the potential credit risk.

New Accounting Pronouncements

For a discussion regarding new accounting pronouncements, please refer to Note 1. "Organization, Business and Basis of Presentation—Recently Issued Accounting Pronouncements" in the accompanying Notes to Consolidated Financial Statements.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities known to exist at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. We evaluate our estimates on an ongoing basis, based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. There can be no assurance that actual results will not differ from those estimates. For further information regarding our critical accounting policies and estimates, please refer to Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" included in our 2014 Annual Report.

Cautionary Statement Concerning Forward-Looking Statements and Information

We are including the following discussion to inform you of some of the risks and uncertainties that can affect our company and to take advantage of the protections for forward-looking statements that applicable federal securities law affords.

Various statements contained in this Quarterly Report on Form 10-Q are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Exchange Act. Forward-looking statements include those that express a belief, expectation or intention, as well as those that are not statements of historical fact, and may include projections and estimates concerning the timing and success of specific projects and our future revenue, income, backlog, liquidity, capital spending and investments. The forward-looking statements in this quarterly report on Form 10-Q are generally accompanied by words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "objective," "outlook," "plan," "project," "likely," "unlikely," "possible," "potential," "should" or other words that convey the uncertainty of future events or outcomes. The forward-looking statements in this quarterly report on Form 10-Q speak only as of the date of this quarterly report on Form 10-Q and are based on our current expectations and assumptions about future events, including with respect to expected growth, results of operations, performance, business prospects and opportunities and effective tax rates. These statements do not guarantee future performance and actual results may differ materially from these statements. We disclaim any obligation to update these statements, unless required by securities laws, and we caution you not to rely on them unduly. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These and other important factors, including those discussed under the caption "Forward-Looking Statements" and in Item 1A "Risk Factors" in our 2014 Annual Report, and in any risk factors or cautionary statements contained in our other filings with the Securities and Exchange Commission, may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements.

These risks, contingencies and uncertainties include, but are not limited to, the following:

- Our operating results may vary significantly from period to period.
- Our industry is highly competitive.
- We may be unsuccessful in generating internal growth.
- Negative economic and market conditions, as well as regulatory and environmental requirements, may adversely impact our customers' future spending and, as a result, our operations and growth.
- Project performance issues, including those caused by third parties, or certain contractual obligations may result in additional costs to us, reductions or delays in revenues or the payment of penalties, including liquidated damages.
- Our business is labor intensive and we may be unable to attract and retain qualified employees.
- The timing of new contracts and termination of existing contracts may result in unpredictable fluctuations in our cash flows and financial results.
- Backlog may not be realized or may not result in profits and may not accurately represent future revenue.
- Our business growth could outpace the capability of our internal resources.

- We may depend on subcontractors to assist us in providing certain services.
- Our participation in joint ventures and other projects with third parties may expose us to liability for failures of our partners.
- Legislative or regulatory actions relating to electricity transmission and renewable energy may impact demand for our services.
- Our use of percentage-of-completion accounting could result in a reduction or reversal of previously recognized profits.
- Our actual costs may be greater than expected in performing our fixed-price and unit-price contracts.
- Our financial results are based upon estimates and assumptions that may differ from actual results.
- The loss of a key customer could have an adverse affect on us.
- Our failure to comply with environmental and other laws and regulations could result in significant liabilities.
- Unavailability or cancellation of third party insurance coverage would increase our overall risk exposure and could disrupt our operations.
- We may incur liabilities and suffer negative financial or reputational impacts relating to occupational health and safety matters.
- We extend trade credit to customers for purchases of our services, and may have difficulty collecting receivables from them.
- We may not be able to compete for, or work on, certain projects if we are not able to obtain the necessary bonds.
- Inability to hire or retain key personnel could disrupt our business.
- Work stoppages or other labor issues with our unionized workforce could adversely affect our business.
- Multi-employer pension plan obligations related to our unionized workforce could adversely impact our earnings.
- We may fail to execute or integrate future acquisitions or joint ventures successfully.
- Our business may be affected by seasonal and other variations, including severe weather conditions.
- We may not have access in the future to sufficient funding to finance desired growth and operations.
- Our operations are subject to a number of operational risks which may result in unexpected costs or liabilities.
- Opportunities associated with government contracts could lead to increased governmental regulation applicable to us.
- Risks associated with operating in the Canadian market could restrict our ability to expand and harm our business and prospects.
- Our failure to comply with the laws applicable to our Canadian activities, including the U.S. Foreign Corrupt Practices Act and similar anti-bribery laws could have an adverse effect on us.
- The nature of our business exposes us to warranty claims, which may reduce our profitability.
- Certain provisions in our organizational documents and Delaware law could delay or prevent a change in control of our company.
- We, or our business partners, may be subject to breaches of information technology systems, which could affect our competitive position or damage our reputation.

- Our stock price and trading volume may be volatile and future sales of our common stock could lead to dilution of our issued and outstanding common stock.
- We are subject to risks associated with climate change.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of September 30, 2015, we were not party to any derivative instruments. We did not use any material derivative financial instruments during the nine months ended September 30, 2015 and 2014, including trading or speculation on changes in interest rates or commodity prices of materials used in our business.

As of September 30, 2015, we had no borrowings outstanding under the Facility. Borrowings under the Facility are based upon an interest rate that will vary depending upon the prime rate, federal funds rate and LIBOR. If we had borrowings outstanding under the Facility and if the prime rate, federal funds rate or LIBOR increased, our interest payment obligations on outstanding borrowings would increase and have a negative effect on our cash flow and financial condition. We currently do not maintain any hedging contracts that would limit our exposure to variable rates of interest when we have outstanding borrowings.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Under the supervision, and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(e) and 15d-15(e) as of the end of the period covered by this quarterly report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2015.

Changes in Internal Control Over Financial Reporting

During the period covered by this report, there were no changes in our internal control over financial reporting that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For further discussion regarding legal proceedings, please refer to Note 6, “Commitments and Contingencies—Litigation and Other Legal Matters” in the accompanying Notes to Consolidated Financial Statements.

ITEM 1A. RISK FACTORS

As of the date of this filing, there have been no material changes to the risk factors previously discussed in Item 1A to our 2014 Annual Report. An investment in our common stock involves various risks. When considering an investment in our company, you should carefully consider all of the risk factors described in our 2014 Annual Report. These risks and uncertainties are not the only ones facing us and there may be additional matters that are not known to us or that we currently consider immaterial. These risks and uncertainties could adversely affect our business, financial condition or future results and, thus, the value of our common stock and any investment in our company.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of Common Stock. The following table includes all of the Company's repurchases of common stock for the periods shown, including those made pursuant to publicly announced plans or programs and those not made pursuant to publicly announced plans or programs. Repurchased shares are retired and returned to authorized but unissued common stock.

Period	Total Number of Shares Repurchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
July 1, 2015 - July 31, 2015	—	$ -	—	$ 25,000,000
August 1, 2015 - August 31, 2015	47,560	$ 27.57	46,702	$ 23,714,096
September 1, 2015 - September 30, 2015	207,824	$ 26.96	207,824	$ 18,112,087
Total	255,384	$ 27.07	254,526	

(1) This column includes all repurchases of common stock, including stock repurchased under the Repurchase Program and stock repurchased outside such programs. The Company repurchased 858 shares of its common stock to satisfy tax obligations on the vesting of restricted stock under the 2007 Long-Term Incentive Plan (as amended).

(2) On August 1, 2012, the Company's Board of Directors authorized the repurchase of up to $20.0 million of the Company's common stock, and the Company subsequently established a Rule 10b5-1 plan to facilitate this repurchase. The share repurchase program was authorized through August 9, 2013. In May 2013, the Company's Board of Directors approved an extension of the program through August 9, 2014 and increased the size of the program to $22.5 million. In May 2014, the Company's Board of Directors approved an extension of the program through August 31, 2015 and increased the size of the program to $25.0 million. In July 2015, the Company's Board of Directors approved an amendment of the program, which increased the size of the program to $42.5 million and extended the term through August 31, 2016. The Company has purchased 978,490 shares under this program.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Number	Description
10.1	Employment agreement with Betty R. Johnson†+
10.2	Employment Agreement Waiver and Release of Claims with Paul J. Evans†+
31.1	Certification of Chief Executive Officer pursuant to SEC Rule 13a-14(a)/15d-14(a)†
31.2	Certification of Chief Financial Officer pursuant to SEC Rule 13a-14(a)/15d-14(a)†
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. §1350†
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. §1350†
101.INS	XBRL Instance Document *
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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† Filed herewith
* Electronically filed
+ Employment agreements

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MYR GROUP INC.
(Registrant)

November 4, 2015

/s/ Betty R. Johnson
Senior Vice President, Chief Financial Officer and Treasurer

EMPLOYMENT AGREEMENT
Betty R. Johnson

This **EMPLOYMENT AGREEMENT**, dated as of October 19, 2015 (this "**Agreement**"), is by and between MYR Group Inc., a Delaware corporation (the "**Company**"), and Betty R. Johnson, (the "**Key Employee**").

W I T N E S S E T H:

WHEREAS, the Company desires to secure the benefit of the Key Employee's experience and ability by employing the Key Employee in the capacity and on the terms set forth below, and the Key Employee desires to commit to serve the Company on the terms herein provided;

NOW, **THEREFORE**, in consideration of the foregoing and of the respective covenants and agreements set forth below, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATIONS

1.1 Definitions.

(a) "**Base Salary**" means the Key Employee's base salary as in effect from time to time, as described in Section 2.3(a).

(b) "**Board**" means the Board of Directors of the Company.

(c) "**Cause**" means:

(i) A material breach by the Key Employee of Sections 3.9(b), (c), (d), (e) or (f) of this Agreement (regarding the non-competition, non-solicitation and confidentiality provisions);

(ii) The commission of a criminal act by the Key Employee against the Company, including but not limited to fraud, embezzlement or theft;

(iii) The conviction or plea of no contest or *nolo contendere* of the Key Employee for any felony or any misdemeanor that may result in a term of imprisonment greater than one (1) year; or

(iv) The Key Employee's failure or refusal to carry out, or comply with, in any material respect, any lawful directive of the Board consistent with the terms of this Agreement which is not remedied within thirty (30) days after the Key Employee's receipt of written notice from the Company.

Notwithstanding the foregoing, the Key Employee shall not be deemed to have been terminated for Cause pursuant to this Section 1.1(c) unless and until there shall have been delivered to the Key Employee a copy of a resolution duly adopted by at least seventy-five percent (75%) of the entire membership of the Board (not including for this purpose the Key Employee if the Key Employee is then a member of the Board) at a meeting of the Board called and held for such purpose (after reasonable notice to the Key Employee and a reasonable opportunity for the Key Employee, together with the Key Employee's counsel, to be heard before the Board), finding that in the good faith opinion of the Board, the Key Employee engaged in conduct set forth in this Section 1.1(c).

(d) "**Change in Control**" means the occurrence of a "change in the ownership of the Company," a "change in the effective control of the Company," or a "change in the ownership of a substantial portion of the Company's assets," as defined in Treasury Regulation §§1.409A-3(i)(5)(v), (vi) and (vii), respectively.

(e) "**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(f) "**Code**" means the Internal Revenue Code of 1986, as amended and any regulations thereunder.

(g) "**Disability**" means that, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, the Key Employee is unable to engage in any substantial gainful activity or is receiving income replacement benefits under an accident and health benefit plan covering employees of the Company for a period of not less than three months.

(h) "**Good Reason**" means:

(i) a reduction of the Key Employee's Base Salary and/or annual target bonus opportunity without the Key Employee's prior written consent;

(ii) the relocation of the Key Employee's primary work site to a location greater than fifty (50) miles from the Key Employee's work site as of the Effective Date; provided, however, that Good Reason does not mean the one time relocation of the Key Employee's primary work site to the Denver, Colorado metropolitan area, with the Key Employee being reimbursed for the expense of such relocation in accordance with the Company's relocation policy, and provided further that Good Reason does mean the subsequent relocation of the Key Employee's primary work site to a location greater than fifty (50) miles from the then established Denver, Colorado primary work site; or

(iii) any other material breach by the Company of a material provision of this Agreement for which the Key Employee shall have given the Company written notice of such breach and the Company shall have failed to cure such breach within thirty (30) days after receipt of such notice.

Notwithstanding the foregoing, solely with respect to a termination of employment by the Key Employee during the Protection Period, in addition to clauses (i), (ii) and (iii), "Good Reason," shall also mean a material reduction of the Key Employee's duties (without the Key Employee's prior written consent) from those in effect as of the Effective Date or as subsequently agreed to by the Key Employee and the Company for which the Key Employee shall have given the Company written notice of such breach and the Company shall have failed to cure such breach within thirty (30) days after receipt of such notice.

(i) "**Post-Termination Period**" means the period beginning on the date that the Key Employee's employment terminates and ending on the first anniversary of such date.

(j) "**Protection Period**" means the period beginning on the date of the occurrence of a Change in Control and ending 12 months following the occurrence of a Change in Control.

(k) "**Severance Pay**" means

(i) two (2) times the sum of the Key Employee's annual Base Salary and Target Bonus as of the date of the Key Employee's termination of employment (without giving effect to any reduction that would otherwise constitute Good Reason), in the case of a termination Without Cause outside the Protection Period or a termination by the Key Employee with Good Reason outside the Protection Period; and

(ii) three (3) times the sum of the Key Employee's annual Base Salary and Target Bonus as of the date of the Key Employee's termination of employment, or if higher, the Key Employee's annual Base Salary and Target Bonus for the fiscal year immediately preceding the fiscal year in which there occurs a Change in Control, in the case of a termination Without Cause during the Protection Period or a termination by the Key Employee for Good Reason during the Protection Period.

(l) "**Severance Period**" means the two (2) year period following the date of the Key Employee's termination of employment, in the case of a termination Without Cause or a termination by the Key Employee for Good Reason, whether or not during the Protection Period.

(m) "**Without Cause**" means termination by the Company of the Key Employee's employment at the Company's sole discretion for any reason, other than by reason of the Key Employee's death or Disability, and other than a termination based upon Cause.

1.2 Interpretations. In this Agreement, unless a clear contrary intention appears, (a) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision; (b) reference to any Article or Section, means such Article or Section hereof; and (c) the word "including" (and with correlative meaning "include") means including, without limiting the generality of any description preceding such term.

ARTICLE II
EMPLOYMENT AND DUTIES

2.1 Term. The term of this Agreement shall be for a period commencing on October 19, 2015 (the "**Effective Date**") and ending on December 20, 2016 (the "**Initial Term**"), provided, however, that this Agreement shall automatically be extended for an additional one-year period at the end of the Initial Term and each one-year anniversary thereafter (each a "**Renewal Term**" and together with the Initial Term being referred to herein as the "**Employment Term**"), unless not later than one-hundred eighty (180) days prior to the end of the then-current period, either the Key Employee or the Company shall have provided written notice to the other party that it does not wish to extend this Agreement; provided, further, that if there occurs a Change in Control during the Employment Term, the Employment Term shall automatically be extended for an additional one-year period (in addition to any then remaining Initial Term or a Renewal Term, as applicable).

2.2 Position, Duties and Services. The Key Employee shall serve in the position of Senior Vice President, Chief Financial Officer and Treasurer and shall have duties and responsibilities consistent with an executive serving in such capacity. The Key Employee shall perform such duties and responsibilities diligently and to the best of the Key Employee's abilities. The Key Employee's employment will be subject to the supervision and direction of the Chief Executive Officer of the Company and the Board.

2.3 Compensation.

(a) Base Salary. The Key Employee shall receive an initial Base Salary at the rate of Three Hundred and Fifty Thousand Dollars ($350,000) per annum payable in periodic installments in accordance with the Company's normal payroll practices and procedures, which Base Salary may be increased (but not decreased) by the Board or (a committee thereof) from time to time.

(b) Target Bonus. During the Employment Term, the Key Employee shall be eligible to receive an annual target bonus (the "**Target Bonus**") based on the achievement of annual performance objectives, as determined by the Board (or a committee thereof) in its discretion.

(c) Incentive, Savings, Profit Sharing, and Retirement Plans. During the Employment Term, the Key Employee shall be entitled to participate in all incentive, savings, profit sharing and retirement plans, practices, policies and programs applicable generally, from time to time, to other similarly situated employees of the Company.

(d) Welfare Benefit Plans. During the Employment Term, the Key Employee and/or the Key Employee's family, as the case may be, shall be eligible for participation in and will receive all benefits under the welfare benefit plans, practices, policies and programs applicable generally, from time to time, to other similarly situated employees of the Company.

2.4 Severance Benefit. The Key Employee shall be entitled to receive the severance benefits described in ARTICLE III upon the Key Employee's termination of employment during the Employment Term, provided the Key Employee satisfies the requirements outlined in ARTICLE III.

2.5 Indemnification. The Company shall (i) indemnify, hold harmless and defend the Key Employee to the extent permitted under applicable law from and against reasonable costs, including reasonable attorney's fees, incurred by the Key Employee in connection with or arising out of any acts or decisions made by the Key Employee in the course and scope of the Key Employee's employment hereunder and (ii) pay all reasonable expenses and reasonable attorney's fees actually incurred by the Key Employee in connection with or relating to the defense of any claim, action, suit or proceeding by any third party against the Key Employee arising out of or relating to any acts or decisions made by the Key Employee in the course and scope of the Key Employee's employment hereunder; provided, however, that such indemnification shall not apply with respect to the commission of a criminal act or any gross misconduct by the Key Employee. This Section 2.5 shall survive the termination or expiration of this Agreement.

ARTICLE III
EARLY TERMINATION

3.1 Death. Upon the death of the Key Employee during the Employment Term, this Agreement shall terminate and the Key Employee's estate shall be entitled to payment of the Key Employee's Base Salary through the date of such termination plus any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant. Payment of Base Salary through the date of termination and the payment of any other cash compensation to which the Key Employee is entitled under this Agreement that is not exempt from Code Section 409A shall be made in a lump sum payment as soon as administratively reasonable but not later than ninety (90) days following the date of the Key Employee's death.

3.2 Disability. In the event of the Key Employee's Disability during the Employment Term, this Agreement and the Key Employee's employment with the Company shall terminate and the Key Employee shall be entitled to payment of the following benefits: (a) the Key Employee's Base Salary through the date of such termination; (b) long-term disability benefits pursuant to the terms of any long-term disability policy provided to similarly situated employees of the Company in which the Key Employee is a participant; and (c) any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant. Subject to Section 3.12(a), the payment of Base Salary through the date of termination and the payment of any other cash compensation to which the Key Employee is entitled under this Agreement that is not exempt from Code Section 409A shall be made in a lump sum payment as soon as administratively reasonable but not later than ninety (90) days following the date of the Key Employee's termination. Subject to Section 3.12(a) and Section 3.12(b), reimbursements or in-kind benefits to which the Key Employee is entitled that are not exempt from Code Section 409A shall be paid as soon as administratively reasonable following the date of payments as set forth in this Agreement, or the applicable plan, practice, policy or program.

3.3 Termination for Cause by Company. If the Key Employee's employment is terminated during the Employment Term for Cause, the Company shall pay the Key Employee through the date of termination (a) the Key Employee's Base Salary in effect at the time notice of termination is given at the applicable payment date under the Company's regular and customary payroll practices and (b) any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant.

3.4 Termination Without Good Reason by the Key Employee. If the Key Employee terminates the Key Employee's employment with the Company during the Employment Term without Good Reason, whether or not during the Protection Period, the Company shall pay the Key Employee through the date of termination (a) the Key Employee's Base Salary in effect at the time notice of termination is given at the applicable payment date under the Company's regular and customary payroll practices and (b) any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant.

3.5 Termination Without Cause or for Good Reason Outside the Protection Period. If, during the Employment Term and outside the Protection Period, the Key Employee's employment is terminated by the Company Without Cause or the Key Employee terminates the Key Employee's employment with the Company for Good Reason, the Key Employee shall be entitled to (a) the Key Employee's unpaid Base Salary through the date of termination; (b) any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant in accordance with the terms and conditions of such compensation and benefit plans; (c) a lump sum payment equal to the Key Employee's Severance Pay; and (d) a lump sum payment equal to the product of (i) the number of months in the Severance Period multiplied by (ii) the monthly cost of maintaining health benefits for the Key Employee (and the Key Employee's spouse and eligible dependents) as of the date of the Key Employee's termination of employment under a group health plan of the Company for purposes of COBRA, on an after-tax basis and excluding any short-term or long-term disability insurance benefits. Unless otherwise indicated in this Agreement and subject to Section 3.12(a), the payment of Base Salary through the date of termination and the payment of any other cash compensation to which the Key Employee is entitled under this Agreement that is not exempt from Code Section 409A shall be made in a lump sum payment as soon as administratively reasonable but not later than ninety (90) days following the date of the Key Employee's termination. Subject to Section 3.12(a) and Section 3.12(b), reimbursements or in-kind benefits to which the Key Employee is entitled that are not exempt from Code Section 409A shall be paid as soon as administratively reasonable following the date of payments as set forth in this Agreement, or the applicable plan, practice, policy or program. Subject to Section 3.8 and Section 3.12(a), the payment of any Severance Pay and any amounts in respect of health benefits shall be made (or commence) in the month immediately following the month in which the waiver and release of claims described in Section 3.8 becomes non-revocable, except that, if the maximum period in which the waiver and release of claims described in Section 3.8 may be revoked ends in the year following the year in which Key Employee incurs a "**Separation from Service**" (as such term is defined in Treasury regulations issued under Code Section 409A), then the date on which the waiver and release of claims described in Section 3.8 becomes non-revocable will be deemed to be the later of the (A) the first business day in the year following the year in which Key Employee incurs a Separation from Service and (B) the date on which the waiver and release of claims described in Section 3.8 becomes non-revocable (without regard to this exception).

3.6 Termination Without Cause or for Good Reason During the Protection Period. If, during the Employment Term and during the Protection Period, the Key Employee's employment is terminated by the Company Without Cause or the Key Employee terminates the Key Employee's employment with the Company for Good Reason, the Key Employee shall be entitled to (a) the Key Employee's unpaid Base Salary through the date of termination; (b) any compensation and benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant in accordance with the terms and conditions of such compensation and benefit plans; (c) a lump sum payment equal to the Key Employee's Severance Pay; and (d) a lump sum payment equal to the product of (i) the number of months in the Severance Period multiplied by (ii) the monthly cost of maintaining health benefits for the Key Employee (and the Key Employee's spouse and eligible dependents) as of the date of the Key Employee's termination of employment under a group health plan of the Company for purposes of COBRA, on an after-tax basis and excluding any short-term or long-term disability insurance benefits. Unless otherwise indicated in this Agreement and subject to Section 3.12(a), the payment of Base Salary through the date of termination and the payment of any other cash compensation to which the Key Employee is entitled under this Agreement that is not exempt from Code Section 409A shall be made in a lump sum payment as soon as administratively reasonable but not later than ninety (90) days following the date of the Key Employee's termination. Subject to Section 3.12(a) and Section 3.12(b), reimbursements or in-kind benefits to which the Key Employee is entitled that are not exempt from Code Section 409A shall be paid as soon as administratively reasonable following the date of payments as set forth in this Agreement, or the applicable plan, practice, policy or program. Subject to Section 3.8 and Section 3.12(a), the payment of any Severance Pay and any amounts in respect of health benefits shall be made (or commence) in the month immediately following the month in which the waiver and release of claims described in Section 3.8 becomes non-revocable, except that, if the maximum period in which the waiver and release of claims described in Section 3.8 may be revoked ends in the year following the year in which Key Employee incurs a Separation from Service, then the date on which the waiver and release of claims described in Section 3.8 becomes non-revocable will be deemed to be the later of the (A) the first business day in the year following the year in which Key Employee incurs a Separation from Service and (B) the date on which the waiver and release of claims described in Section 3.8 becomes non-revocable (without regard to this exception). In the event of the Key Employee's termination under this Section 3.6, the Key Employee shall not be bound by the provisions of Section 3.9(b).

3.7 Termination of Company's Obligations. Upon termination of the Key Employee's employment for any reason, the Company's obligations under this Agreement shall terminate and the Key Employee shall be entitled to no compensation and benefits other than that provided in this ARTICLE III and Section 2.5. Notwithstanding such termination, the parties' obligations under Sections 2.5 and 3.9 of this Agreement shall remain in full force and effect.

3.8 Release. Notwithstanding the foregoing provisions of this ARTICLE III, the Key Employee shall be entitled to the additional benefits specified in Section 3.5 (regarding termination Without Cause or for Good Reason outside the Protection Period) and Section 3.6 (regarding termination Without Cause or for Good Reason during the Protection Period) (i.e., those in addition to the payment of the Key Employee's Base Salary through the date of termination and any benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 in which the Key Employee is a participant), only upon the Key Employee's execution (and non-revocation) and delivery to the Company of a waiver and release of all claims substantially in the form used by the Company for similarly situated employees, which execution (and non-revocation) and delivery must occur before the forty-fifth (45th) day immediately following the date of termination. The Company shall have no obligations under Section 3.5 and Section 3.6, as applicable, if the Key Employee fails to deliver (and not revoke) the executed waiver and release of claims to the Company within the specified period of time. Notwithstanding the foregoing, if the Company does not deliver the form of release to the Key Employee within three (3) business days following the date of termination, then any requirement for the Key Employee to execute (and not revoke) and deliver the release as a condition of receiving any payments under Section 3.5 and Section 3.6, as applicable, will have no effect, and the Key Employee will be entitled to receive any payments to which the Key Employee otherwise qualifies under Section 3.5 and Section 3.6, as applicable.

3.9 Non-Competition; Non-Solicitation; Confidentiality.

(a) The Key Employee acknowledges and agrees that: (i) the Company is engaged in the business of power line and commercial/industrial electrical construction services for electric utilities, telecommunication providers, commercial/industrial facilities, and government agencies and electrical construction and maintenance services for industrial and power generation clients (the "**Business**"); (ii) the Business is intensely competitive; (iii) the Key Employee's customer relationships are near permanent and but for the Key Employee's association with the Company, the Key Employee would not have had contact with the customers; (iv) the Key Employee will continue to develop and have access to and knowledge of non-public information of the Company and its clients; (v) the direct or indirect disclosure of any such confidential information to existing or potential competitors of the Company would place the Company at a competitive disadvantage and would do damage to the Company; (vi) the Key Employee has developed goodwill with the Company's clients at the substantial expense of the Company; (vii) but for the Key Employee entering into the covenants set forth in this Section 3.9, the Company would not have entered into this Agreement; (viii) the Key Employee engaging in any of the activities prohibited by this Section 3.9, would constitute improper appropriation and/or use of the Company's confidential information and/or goodwill; (ix) the Key Employee's association with the Company is expected to be critical to the success of the Company; (x) the services to be rendered by the Key Employee to the Company are of a special and unique character; (xi) the Company conducts the Business throughout North America; (xii) the noncompetition and other restrictive covenants and agreements set forth in this Agreement are fair and reasonable and it would not be reasonable for the Company to enter into this Agreement without obtaining such non-competition and other restrictive covenants and agreements; and (xiii) in light of the foregoing and of the Key Employee's education, skills, abilities and financial resources, the Key Employee acknowledges and agrees that the Key Employee will not assert, and it should not be considered, that enforcement of any of the covenants set forth in this Section 3.9 would prevent the Key Employee from earning a living or otherwise are void, voidable or unenforceable or should be voided or held unenforceable.

(b) Agreement not to Compete. The Key Employee will not, during the Key Employee's employment and the Post-Termination Period, directly or indirectly, carry on or conduct, the Business or any business of the nature in which the Company or its subsidiaries are then engaged in any geographical area in which the Company or its subsidiaries or affiliates engage in business at the time of such termination or any new line of business with respect to which the Key Employee has created, received or had access to confidential information (as set forth below). The Key Employee agrees that the Key Employee will not so conduct or engage in the Business or any such business in any capacity, including as an individual on the Key Employee's own account or as a partner or joint venturer or as an employee, agent, consultant or salesman for any other person or entity, or as an officer or director of a corporation, provided, that the Key Employee may be a shareholder in any public corporation if the Key Employee does not own ten percent (10%) or more of any class of its stock.

(c) Confidential Information. The Key Employee will not, directly or indirectly, during the Key Employee's employment and at any time following termination of the Key Employee's employment with the Company for any reason, reveal, divulge or make known to any person or entity, or use for the Key Employee's personal benefit (including for the purpose of soliciting business, whether or not competitive with any business of the Company or its subsidiaries or affiliates), any information acquired during the Employment Term with regard to the financial, business or other affairs of the Company or its subsidiaries or affiliates (including any list or record of persons or entities with which the Company or its subsidiaries or affiliates has any dealings), other than (i) for purposes of performing the Key Employee's duties and responsibilities pursuant to this Agreement; (ii) information already in the public domain; or (iii) information that the Key Employee is required to disclose under the following circumstances: (A) at the direction of any authorized governmental entity; (B) pursuant to a subpoena or other court process; (C) as otherwise required by law or the rules, regulations, or orders of any applicable regulatory body; or (D) as otherwise necessary, in the opinion of counsel for the Key Employee, to be disclosed by the Key Employee in connection with any legal action or proceeding involving the Key Employee in the Key Employee's capacity as an employee, officer, director, or stockholder of the Company or any subsidiary or affiliate of the Company.

(d) The Key Employee will, upon the earlier of (i) any time requested by the Company or (ii) termination of the Key Employee's employment with the Company for any reason, promptly deliver to the Company all documents, memoranda, notes, reports, lists, files, customer lists, mailing lists, software, disks, credit cards, door and file keys, computer access codes, instructional manuals, and other physical or personal property which the Key Employee received or prepared or helped to prepare in connection with the Key Employee's relationship with the Company including, but not limited to, any confidential information (as set forth above) of the Company or any of its subsidiaries and affiliates which the Key Employee may then possess or have under the Key Employee's control, and the Key Employee shall not retain any copies, duplicates, reproductions or excerpts thereof.

(e) Agreement not to Solicit. During the Employment Term and for the Post-Termination Period, the Key Employee shall not (except on behalf of or with the written consent of the Company), either directly or indirectly, on the Key Employee's own behalf or in the service or on behalf of others, (i) solicit, divert, or appropriate, or (ii) attempt to solicit, divert, or appropriate, any person or entity that is or was a customer of the Company or any of its affiliates at any time during the twelve (12) months prior to the date of the Key Employee's termination and with whom the Key Employee has had material contact.

(f) Agreement not to Recruit. During the Employment Term and for the Post-Termination Period, the Key Employee shall not, either directly or indirectly, on the Key Employee's behalf or in the service or on behalf of others, (i) solicit, divert, or hire away, or (ii) attempt to solicit, divert, or hire away, any employee of or consultant to the Company or its subsidiaries or affiliates.

(g) Reasonableness of Restrictions. The Key Employee acknowledges that the geographic boundaries, scope of prohibited activities, and time duration set forth in this Section 3.9 are reasonable in nature and are no broader than are necessary to maintain the goodwill of the Company and the confidentiality of its confidential information and to protect the legitimate business interests of the Company, and that the enforcement of such provisions would not cause the Key Employee any undue hardship nor unreasonably interfere with the Key Employee's ability to earn a livelihood. If any court determines that any portion of this Section 3.9 is invalid or unenforceable, the remainder of this Section 3.9 will not thereby be affected and will be given full effect without regard to the invalid provisions. If any court construes any of the provisions of this Section 3.9, or any part thereof, to be unreasonable because of the duration or scope of such provision, such court shall reduce the duration or scope of such provision and enforce such provision as so reduced.

(h) Enforcement. Upon the Key Employee's employment with an entity that is not a subsidiary or affiliate of the Company (a "**Successor Employer**") during the period that the provisions of this Section 3.9 remain in effect, the Key Employee will provide such Successor Employer with a copy of this Agreement and will notify the Company of such employment within thirty (30) days thereof. The Key Employee agrees that in the event of a breach or threatened breach of the terms and conditions of this Section 3.9 by the Key Employee, the Company will be entitled, if it so elects, to institute and prosecute proceedings, either in law or in equity, against the Key Employee, to obtain damages for any such breach, or to enjoin (in the form of specific performance, temporary restraining order, temporary or permanent injunction or otherwise) the Key Employee from any conduct in violation of this Section 3.9, without having to post a bond.

3.10 Parachute Payments.

(a) Notwithstanding anything to the contrary in this Agreement, in the event that any payment or distribution to or for the Key Employee's benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise pursuant to or by reason of any other agreement, policy, plan, program or arrangement, including without limitation any stock option, stock appreciation right or similar right, or the lapse or termination of any restriction on or the vesting or exercisability of any of the foregoing (all such payments and benefits, together, the "**Total Payments**"), would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the "**Excise Tax**"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other agreement, policy, plan, program or arrangement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero), in the following order: (i) the payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) shall be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) shall next be reduced; (iii) the payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, shall next be reduced; (iv) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) shall next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) shall be next reduced pro-rata; provided, however, that the Total Payments shall only be reduced if (A) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (B) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income taxes on such Total Payments and the amount of Excise Tax to which the Key Employee would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which the Key Employee shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which, in the opinion of tax counsel ("**Tax Counsel**") reasonably acceptable to the Key Employee and selected by the accounting firm which was, immediately prior to the change in control, the Company's independent auditor (the "**Auditor**"), does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of Tax Counsel, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Auditor in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(c) At the time that payments are made under this Agreement, the Company shall provide the Key Employee with a written statement setting forth the manner in which such payments were calculated and the basis for such calculations, including any opinions or other advice the Company received from Tax Counsel, the Auditor, or other advisors or consultants (and any such opinions or advice which are in writing shall be attached to the statement). If the Key Employee objects to the Company's calculations, the Company shall pay to the Key Employee such portion of the Total Payments (up to 100% thereof) as the Key Employee determines is necessary to result in the proper application of this Section 3.10. All determinations required by this Section 3.10 (or requested by either the Key Employee or the Company in connection with this Section 3.10) shall be at the expense of the Company.

3.11 Intentionally Omitted.

3.12 Payments Subject to Section 409A of the Code.

(a) Notwithstanding the foregoing provisions of this ARTICLE III, to the extent required by Section 409A of the Code and applicable guidance thereunder, payments that the Key Employee would otherwise be entitled to receive hereunder during the first six months following the date of the Key Employee's termination of employment will be accumulated and paid on the date that is six months and one day after the date of the Key Employee's termination of employment (or if such payment date does not fall on a business day of the Company, the next following business day of the Company), or such earlier date upon which such amount can be paid without adverse tax consequences to the Key Employee under Section 409A of the Code; provided, however, that no such delay shall apply with respect to payments to which the Key Employee is entitled in the event of the Key Employee's death.

(b) Any reimbursement of expenses or in-kind benefits provided under this Agreement, that is subject to and not exempt from Section 409A of the Code, shall be subject to the following additional rules: (i) any reimbursement of eligible expenses shall be paid as they are incurred (but not prior to the end of the six-month delay period set forth in Section 3.12(a)); provided that the Key Employee first provides documentation thereof in reasonable detail not later than sixty (60) days following the end of the calendar year in which the eligible expenses were incurred; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefits to be provided, during any other calendar year; and (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(c) For purposes of determining the Key Employee's entitlement to payment of any cash or other remuneration which is deferred compensation under Section 409A of the Code, any provision of this Agreement providing for payment of any such cash or remuneration upon "termination," "termination of employment" or other event which is a termination of an employment relationship with the Company means that such payment is to be made upon a Separation from Service, with the Company and all of its subsidiaries and affiliates, for any reason, including without limitation, quit, discharge and retirement, and the Company and the Key Employee reasonably anticipate that no further services will be performed after such date or that the level of bona fide services performed after such date (whether as an employee or as an independent contractor) will permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services if the Key Employee has been providing services for less than 36 months).

(d) It is intended that the payments and benefits provided under this Agreement shall either be exempt from application of, or comply with, the requirements of Section 409A of the Code. This Agreement shall be construed, administered, and governed in a manner that affects such intent, and the Company shall not take any action that would be inconsistent with such intent. Without limiting the foregoing, the payments and benefits provided under this Agreement may not be deferred, accelerated, extended, paid out, or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code. Although the Company shall use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A of the Code, the tax treatment of the benefits provided under this Agreement is not warranted or guaranteed. The Company shall not be held liable for any taxes, interest, penalties, or other monetary amounts owed by the Key Employee or other taxpayers as a result of this Agreement.

ARTICLE IV
MISCELLANEOUS

4.1 **Governing Law**. This Agreement is governed by and will be construed in accordance with the laws of the State of Illinois, without regard to the conflicts of law principles of such State.

4.2 **Amendment and Waiver**. The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and the Key Employee, and no course of conduct or failure or delay in enforcing the provisions of this Agreement will be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof.

4.3 **Severability**. Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction by reason of applicable law will, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.

4.4 Entire Agreement. Except as provided in the written benefit plans and programs referenced in Section 2.3(c) and Section 2.3(d), this Agreement embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the employment of the Key Employee or the subject matter hereof in any way.

4.5 Withholding of Taxes and Other Employee Deductions. The Company may withhold from any benefits and payments made pursuant to this Agreement all federal, state, city, and other taxes as may be required pursuant to any law or governmental regulation or ruling and all other normal employee deductions made with respect to the Company's employees generally.

4.6 Legal Fees. The Company shall reimburse the Key Employee for all reasonable legal fees and expenses incurred by the Key Employee in a dispute regarding the Key Employee's rights under this Agreement, within forty-five (45) days of when such fees and expenses are incurred, but in no event later than the end of the taxable year in which such fees and expenses are incurred, unless a court of competent jurisdiction determines the Key Employee's position in such dispute not to be bona fide.

4.7 Headings. The paragraph headings have been inserted for purposes of convenience and will not be used for interpretive purposes.

4.8 Actions by the Board. Any and all determinations or other actions required of the Board (or a committee thereof) hereunder that relate specifically to the Key Employee's employment by the Company or the terms and conditions of such employment will be made by the members of the Board or such committee other than the Key Employee (if the Key Employee is a member of the Board or such committee), and the Key Employee will not have any right to vote or decide upon any such matter.

4.9 Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party.

* * *

Signature Page Follows

INTENDING TO BE BOUND, the parties hereto have executed this Agreement as of the date first set forth above.

COMPANY:

MYR GROUP INC.

By: /s/ Larry F. Altenbaumer
Name: Larry F. Altenbaumer
Title: Chairman Compensation Committee

KEY EMPLOYEE:

/s/ Betty R. Johnson
Betty R. Johnson

EMPLOYMENT AGREEMENT
WAIVER AND RELEASE OF CLAIMS

Paul J. Evans

This Waiver and Release of Claims ("**Key Employee Release**") is given by Paul J. Evans (the "**Key Employee**") in favor of MYR Group Inc. (the "**Company**") and all of its successor, parent, affiliate, or subsidiary companies and their present and former officers, directors, employees, agents, representatives, legal representatives, accountants, successors, and assigns (the "**Released Parties**").

1. Separation Date. Key Employee's active employment with the Company will terminate on October 19, 2015 (the "**Separation Date**"). Key Employee states and acknowledges that all earned but unpaid compensation (as defined in Section 2.3 of the Employment Agreement) as of the Separation Date has been paid and that there are no amounts due and owing from any of the Released Parties except as expressly set forth in this Key Employee Release. The Company will reimburse Key Employee for all reasonable business expenses incurred prior to the Separation Date, provided that he submits acceptable documentation of such expenses within forty-five (45) days after the Separation Date.

2. Survival of Employment Agreement. The terms and conditions of this Key Employee Release are intended to supplement the Employment Agreement between the Company and Key Employee dated January 3, 2012 (the "**Employment Agreement**"). Except as specifically outlined in this Key Employee Release, all provisions of the Employment Agreement will terminate on the Separation Date. Notwithstanding the termination of the Employment Agreement, as a material condition of this Key Employee Release, Employee agrees to comply with Section 3.9 (Non-Competition, Non-Solicitation; Confidentiality) of the Employment Agreement, which will remain in full force and effect after the Separation Date.

3. Release of Claims. In exchange for, and consideration of the additional benefits specified in Section 3.5 of the Employment Agreement (regarding termination Without Cause or for Good Reason outside the Protection Period), *i.e*., those benefits in addition to the payment of Base Salary through the date of termination and any benefits payable pursuant to the terms of the compensation and benefit plans specified in Section 2.3 of the Employment Agreement, Key Employee for himself and his representatives, heirs, and assigns, hereby releases and discharges Released Parties from all claims, demands, and causes of action of any nature, known or unknown, that he may have against Released Parties, including but not limited to claims that in any manner relate to, arise out of or involve any aspect of his employment with any of the Released Parties, and the termination of his employment ("**Claims**"). Key Employee acknowledges that the Claims released under this paragraph might arise under many different foreign, domestic, national, state, or local laws (including statutes, regulations, other administrative guidance, and common law doctrines), including but not limited to the following:

(a) Claims for breach of contract, whether express, implied or implied-in-fact, and for detrimental reliance, promissory estoppel or quantum meruit, including without limitation any claims arising out of or relating to the Employment Agreement;

(b) Any and all Claims under or pursuant to the Americans with Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, United States Presidential Executive Orders 11246 and 11375, 42 U.S.C. § 1981, as amended, 42 U.S.C. § 1985, the Employee Retirement Income Security Act of 1974 ("ERISA"), the Fair Labor Standards Act, the Family and Medical Leave Act, the Genetic Information Nondiscrimination Act, the Immigration Reform and Control Act of 1986, the Fair Credit Reporting Act, the Sarbanes-Oxley Act, the National Labor Relations Act, the Labor Management Relations Act, the Worker Adjustment and Retraining Notification Act, and as well as any other federal law, statute, ordinance, rule, regulation or Employee order relating to employment and/or discrimination in employment, and/or any Claims to attorneys' fees or costs under any such statutes or laws;

(c) Any and all Claims under the Illinois Human Rights Act, 775 ILCS § 5, the Illinois Equal Pay Act of 2003, 820 ILCS §§ 112/1-90, the Illinois Minimum Wage Law, 820 ILCS §§ 105/1-15, the Illinois Wage Payment and Collection Act, 820 ILCS §§ 115/1-16, the Illinois Personnel Records Review Act, 820 ILCS §§ 40/0.01-13, the Illinois One Day Rest in Seven Act, 820 ILCS §§ 140/1-9, the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS § 65, and any other Claims under any Illinois statutes, as well as any other state or local law, statute, ordinance, rule, regulation or Employee order relating to employment and/or discrimination in employment, and/or any Claims to attorneys' fees or costs under any such statutes or laws; and

(d) Claims for wrongful discharge, retaliatory discharge, negligent or intentional infliction of emotional distress, interference with contractual relations, personal, emotional or physical injury, fraud, defamation, libel, slander, misrepresentation, violation of public policy, invasion of privacy, or any other statutory or common law theory of recovery.

4. Exclusion for Certain Claims. Notwithstanding the provisions of paragraph 3 above, the Released Parties and Key Employee (collectively referenced as the "**Parties**") agree that the release in paragraph 3 shall not apply to any unpaid salary, accrued vacation or expense reimbursements payable under the Employment Agreement based upon services performed prior to the Separation Date; any Claims arising after the Effective Date of this Key Employee Release; any Claims which may not, as a matter of law, be released; any Claims to enforce rights, if any, under ERISA to recover any vested benefits; and any Claims to enforce any provision of this Key Employee Release or any alleged breach of this Key Employee Release by the Released Parties.

(a) Unknown Claims. Key Employee acknowledges that he is releasing Claims that he may not know about, and that he does so with knowing and voluntary intent. Key Employee expressly waives all rights that he may have under any law that is intended to protect him from waiving unknown Claims. Key Employee further acknowledges that he understands the significance of doing so.

(b) Governmental Investigations. Notwithstanding the general release set forth in paragraph 3, nothing in this Key Employee Release shall be construed to prohibit Key Employee from filing a charge or cooperating with any investigation by any government agency (including, without limitation, the United States Department of Labor or the Equal Employment Opportunity Commission) but this release does waive his right to file an individual or class action lawsuit against the Company or receive any equitable or monetary relief in connection with any such charge or investigation.

5. Company Property. Within one (1) business day after the Separation Date, Key Employee agrees to return all Company-owned property in his possession, including but not limited to the company vehicle, any laptops, cellphones, office keys, all other Company-owned equipment, all software and computers, all documents and papers (including but not limited to files, reports, Rolodexes, memoranda, records, electronic data, printouts, sales data, customer lists, employee lists, product lists, business plans, notebook entries, and copies of the foregoing), all Confidential Information (as defined in Section 3.9(c) of the Employment Agreement) and all other Company property.

6. Full Disclosure. Key Employee acknowledges that he has disclosed to the Company any information that he has concerning any acts or omissions involving the Released Parties or any of their respective parent companies, subsidiaries, affiliates, shareholders, officers, directors, employees or agents, that he has reason to believe may be unlawful or involve any false claims to the United States or any other government having jurisdiction over the Released Parties. Further, Key Employee promises to cooperate fully and voluntarily in any investigation that the Released Parties undertake into matters occurring during his employment with the Company or its predecessors, and agrees not to disclose to anyone who is not assisting the Released Parties with the investigation, other than his attorney, the fact of or the subject matter of the investigation, except as required by law. Key Employee will accommodate his schedule to cooperate with the Released Parties and promptly provide such information. Nothing herein is intended to or shall preclude Key Employee from cooperating with any appropriate federal, state, or local government agency in any of said agencies' investigations of alleged violations of applicable laws.

7. Cooperation with Litigation. In the event that any of the Released Parties is involved in any litigation, arbitration or administrative proceeding subsequent to the Separation Date, Key Employee agrees that, upon request, he will provide reasonable cooperation to the Released Parties and their attorneys in the prosecution or defense of any litigation, arbitration or administrative proceeding, including participation in interviews with the Released Parties' attorneys, appearing for depositions, testifying in administrative, judicial or arbitration proceedings, or any other reasonable participation necessary for the prosecution or defense of any such litigation, arbitration or administrative proceeding. The Released Parties agree to reimburse Key Employee for his reasonable expenses in participating in the prosecution or defense of any litigation, arbitration or administrative proceeding, provided that Key Employee submits acceptable documentation of all such expenses.

8. Prospective Employers. Key Employee agrees to direct all requests for references and/or verification of employment to MYR Group Inc., Attention: Vice President Human Resources, 12150 East 112th Avenue, Henderson, Colorado, 80640. The Company agrees that it will respond to any such requests by providing Key Employee's position and/or job title and dates of service.

9. No Disparagement. Key Employee agrees that, subsequent to the Separation Date, he will not make any disparaging or derogatory remarks or statements about the Released Parties, or any of their parent companies, subsidiaries, affiliates, related companies, partnerships or joint ventures, as well as their respective current and former officers, directors, shareholders, principals, attorneys, agents, employees or any Released Party, or his prior employment with the Company. The Released Parties agree that they will not make any disparaging or derogatory remarks or statements about Key Employee or his prior employment with the Company; *provided, however*, that nothing in this Key Employee Release shall be construed to prohibit any of the Released Parties from disclosing information regarding the termination of the Employment Agreement and/or this Key Employee Release if required under applicable securities laws.

10. Periods for Consideration and Revocation:

(a) ADEA Release Requirements Satisfied: Key Employee acknowledges that this Key Employee Release satisfies all applicable legal requirements to validly release any Claims (including without limitation Claims arising under the Age Discrimination in Employment Act, as amended). These requirements are that (i) Key Employee voluntarily entered into this Key Employee Release with full knowledge of its terms (i.e., free from fraud, duress, coercion or mistake of fact); (ii) this Key Employee Release is in writing and fully comprehensible and understandable to Key Employee; (iii) this Key Employee Release explicitly waives only current ADEA claims; (iv) this Key Employee Release does not waive future ADEA claims; (v) the Severance Pay set forth in Section 3.5 of the Employment Agreement constitutes monies to which Key Employee would not be entitled in the absence of his entering into this Key Employee Release; (vi) the Released Parties advised Key Employee in writing to consult an attorney prior to entering into this Key Employee Release; (vii) the Released Parties provided Key Employee with at least forty-five (45) days in which to decide whether to enter into this Key Employee Release; and (viii) the Released Parties provided Key Employee with at least seven (7) days within which to revoke this Key Employee Release after signing it.

(b) Consideration Period: Key Employee acknowledges that, before signing this Key Employee Release, he was allowed at least forty-five (45) days in which to consider this Key Employee Release. Key Employee waives any right to additional time within which to consider this Key Employee Release. Key Employee further acknowledges that: (i) he took advantage of the time he was given to consider this Key Employee Release before signing it; (ii) he carefully read this Key Employee Release; (iii) he fully understands it; (iv) he is entering into it voluntarily; (v) he will receive the Severance Pay as outlined in Section 3.5 of the Employment Agreement in exchange for his execution of this Key Employee Release, which he would not otherwise be entitled to receive; and (vi) the Released Parties, in writing, encouraged Key Employee to discuss this Key Employee Release with an attorney before signing it, and that Key Employee did so to the extent he deemed appropriate.

(c) Revocation Period: Key Employee understands that he may revoke this Key Employee Release within seven (7) days after signing it. Such revocation shall not be effective unless received by Released Parties on or before 5:00 p.m. Mountain Time of the seventh (7th) day following Key Employee's execution of the Key Employee Release. Such revocation shall be sent by certified mail, return receipt requested, to MYR Group Inc., Attention: Chief Legal Officer, 12150 East 112th Avenue, Henderson, Colorado, 80640. Key Employee also understands that, should he revoke this Key Employee Release within the seven (7) day period, the Key Employee Release is voided in its entirety and he will not be entitled to any consideration provided under this Key Employee Release or Section 3.5 of the Employment Agreement.

(d) Adequacy of Consideration: There are no promises, terms, conditions, or obligations other than those contained herein and contained in the Employment Agreement; and this Key Employee Release and the Employment Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the Key Employee and the Released Parties. Key Employee acknowledges the adequacy and sufficiency of the consideration for the promises set forth in this Key Employee Release and the Employment Agreement. Key Employee acknowledges and agrees that he/she is estopped from raising and hereby expressly waives any defense regarding the receipt and/or legal sufficiency of the consideration provided by the Released Parties under this Key Employee Release or the Employment Agreement.

11. Miscellaneous:

(a) Nonadmission of Liability: The entry into this Key Employee Release by the Parties is not and shall not be construed to be an admission of any act, practice or policy by the Key Employee or the Released Parties in violation of any statute, common law duty, constitution, or administrative rule or regulation. Further, this Key Employee Release shall not constitute evidence of any such proscribed or wrongful act, practice or policy.

(b) Modifications. The Parties agree that the provisions of this Key Employee Release may not be modified by any subsequent agreement unless the modifying agreement is: (i) in writing; (ii) specifically references this Key Employee Release; (iii) signed by Key Employee; and (iv) signed and approved by an authorized officer of the Company.

(c) Integration. The Parties acknowledge and agree that this Key Employee Release constitutes the entire agreement between the Parties; that the Parties have executed this Key Employee Release based upon the terms set forth herein; that the Parties have not relied on any prior agreement or representation, whether oral or written, which is not set forth in this Key Employee Release; that no prior agreement, whether oral or written, shall have any effect on the terms and provisions of this Key Employee Release; and that, except to the extent that they are specifically incorporated into or continued in effect under this Key Employee Release, all prior agreements, whether oral or written, are expressly superseded and/or revoked by this Key Employee Release.

(d) Severability and Waiver. The Parties acknowledge and agree that each provision of this Key Employee Release shall be enforceable independently of every other provision. Furthermore, any provision in this Key Employee Release which is prohibited or unenforceable in any jurisdiction by reason of applicable law will, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.

12. Effective Date. This Key Employee Release will not become effective until the eighth (8th) day after Key Employee executes this Key Employee Release. Key Employee acknowledges that the Released Parties may withhold any of the Severance Pay required under Section 3.5 of the Employment Agreement until the Effective Date of this Key Employee Release.

13. Fees and Costs. The Parties will each bear their own attorney's fees and costs in connection with drafting and negotiation of this Key Employee Release. In the event that any of the Parties (or any Released Party) initiates legal action in any court or adjudicative body to enforce any provision of this Key Employee Release, or initiates legal action based upon the breach of any provision of this Key Employee Release by any other party, the prevailing party in any such legal proceeding shall recover, in addition to any legal or equitable relief otherwise available under applicable law, reasonable costs and expenses (including attorneys' fees) incurred in connection with the prosecution or defense of any such legal action.

14. Governing Law: Except to the extent governed by federal law, this Key Employee Release shall be governed by the statutes and common law of the State of Illinois, exclusive of any rules pertaining to conflicts of laws. The Parties agree that any litigation pertaining to the interpretation, application or enforcement of any provision of this Key Employee Release must be filed in a federal or state court of competent jurisdiction in Chicago, Illinois. Both Parties agree to waive any right to trial by jury in the event of any dispute pertaining to the interpretation, application or enforcement of any provision of this Key Employee Release.

15. Successors and Assigns: This Key Employee Release will be binding on Key Employee, his heirs, administrators, representatives, executors, successors, and assigns, and will inure to the benefit of all Released Parties and their respective heirs, administrators, representatives, executors, successors and assigns.

16. Interpretation: This Key Employee Release shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against the Company, Key Employee or any Released Party. Unless the context indicates otherwise, the term "or" shall be deemed to include the term "and" and the singular or plural number shall be deemed to include the other. Captions are intended solely for convenience of reference and shall not be used in the interpretation of this Key Employee Release. Unless otherwise defined in this Key Employee Release, capitalized terms shall have the same meaning as those same terms in the Employment Agreement.

17. Voluntary Release: Key Employee acknowledges and states that he has knowingly and voluntarily entered into this Key Employee Release.

* * *

Signature Page Follows

Agreed to and accepted this _____ day of ______________, 20___.

KEY EMPLOYEE

Signature	Date

Name Printed

RELEASED PARTIES

Signature

Name Printed

Exhibit 31.1

CERTIFICATIONS

Certification of Principal Executive Officer

I, William A. Koertner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MYR Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 4, 2015

/s/ WILLIAM A. KOERTNER

(Principal Executive Officer)
Chief Executive Officer and President

Exhibit 31.2

CERTIFICATIONS

Certification of Principal Financial Officer

I, Betty R. Johnson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MYR Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 4, 2015

/s/ BETTY R. JOHNSON

(Principal Financial Officer and Principal Accounting Officer)
Senior Vice President, Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER,
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, William A. Koertner, Chief Executive Officer and President of MYR Group Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 4, 2015

/s/ WILLIAM A. KOERTNER

Chief Executive Officer and President

Exhibit 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Betty R. Johnson, Vice President, Chief Financial Officer and Treasurer of MYR Group, Inc.(the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 4, 2015

/s/ BETTY R. JOHNSON

Senior Vice President, Chief Financial Officer and Treasurer