



**CHARTER OF THE AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS
OF
QUANTA SERVICES, INC.**

Purpose

The Audit Committee shall provide assistance to the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications and independence, and (iv) the performance of the Company's internal audit function and independent auditors. The Committee shall also produce an annual report that is included in the Company's proxy statement, in accordance with applicable rules and regulations.

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible to best react to changing conditions and to ensure to the directors and stockholders that the corporate accounting and reporting practices are in accordance with all requirements and are of the highest quality. The Company shall provide adequate funding for the Committee to carry out its responsibilities.

The Committee's responsibility is oversight, and it recognizes that the Company's management is responsible for preparing the Company's financial statements. Additionally, the Committee recognizes that financial management (including the Internal Audit staff), as well as the independent auditors, have more knowledge and more detailed information about the Company than do the members of the Committee; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the independent auditor's work.

Powers and Duties

In addition to such other powers and duties as the Board may from time to time assign, the Committee shall:

Independent Auditors

1. Appoint, compensate, retain and oversee the work of the Company's independent auditors, considering qualifications, independence and performance and, where appropriate, replace the independent auditors. The independent auditors shall report directly to the Committee.
2. Review and pre-approve all audit and non-audit services performed by the independent auditors and determine whether the independent auditors' performance of any non-audit services is compatible with the auditors' independence. The Committee may delegate the

authority to grant pre-approval of auditing or permitted non-audit services to one or more members of the Committee.

3. Review annually the services performed by the independent auditors to ensure that they are not performing the following non-audit services for the Company: (i) bookkeeping or other services related to the accounting records or financial statements; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions or human resources; (vii) broker or dealer, investment advisor or investment banking services; or (viii) legal services and expert services unrelated to an audit.
4. Meet with the independent auditors and financial management of the Company to review the scope of the proposed audit for the current year and the audit procedures to be utilized and the fees and other compensation to be paid to the independent auditors therefor, and at the conclusion thereof review such audit, including any comments or recommendations of the independent auditors.
5. Review with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including any audit problems or difficulties encountered in the course of the audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management, and management's response.
6. Review and discuss with management and the independent auditor (i) management's report on internal control over financial reporting and (ii) the independent auditor's attestation of the Company's internal control over financial reporting.
7. Review and discuss quarterly reports from the independent auditors on (i) all critical accounting policies and practices; (ii) all alternative treatments of financial information within generally accepted accounting principles (GAAP) that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and (iii) other material written communications between the independent auditor and management including, but not limited to, the management letter and schedule of unadjusted differences.
8. At least annually, obtain and review a report by the independent auditor describing (i) the firm's internal quality control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (iii) (to assess the auditor's independence) all relationships between the independent auditor and the Company.
9. Resolve any disagreements between management and the independent auditors in the event that they arise.

Financial Reporting Process and Accounting Policies

10. Investigate any matter brought to its attention within the scope of its duties.
11. Establish and maintain procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by Company employees regarding questionable accounting or auditing matters.
12. Review and discuss with management and the independent auditor (i) major issues regarding accounting principles and financial statement presentations including significant changes in the Company's selection or application of accounting principles and major issues as to the adequacy of the Company's internal controls as well as any special audit steps adopted in light of material control deficiencies; (ii) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
13. Meet separately, periodically, with management, with the internal auditors and with the independent auditors.
14. Review disclosures made to the Committee by the Company's chief executive officer and chief financial officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

Internal Audit

15. Review and advise on the selection and removal of the internal audit director. Periodically review and recommend changes (if any) to the internal audit charter. Periodically review with the internal audit director any significant difficulties, disagreements with management, or any restrictions on the scope of its work or on its access to required information encountered in the course of its audit work. Review a summary of findings from internal audits completed.
16. Review and discuss with the internal audit director the annual internal audit plan, including the responsibilities, budget and staffing of the internal audit function.

Documents/Reports/Accounting Information Review

17. Meet with management and the independent auditor to review and discuss the annual audited financial statements and quarterly financial statements (including the Company's disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations").
18. Discuss earnings press releases, as well as financial information and earnings guidance provided therein (including "pro forma" or "adjusted" non-GAAP information).

Legal Compliance/Risk Management

19. Discuss policies with respect to risk assessment and risk management.
20. Review and approve, as appropriate, related party transactions in accordance with the Company's Related Party Transactions Policy.
21. Prepare the report that the Securities and Exchange Commission (SEC) requires be included in the Company's annual proxy statement.

Other Responsibilities

22. Set clear hiring policies for employees or former employees of the independent auditor.
23. Regularly report Committee activities to the Board and make such recommendations to the Board as the Committee deems appropriate.
24. Conduct and present to the Board an annual performance evaluation of the Committee.
25. Retain, terminate and approve fees and other retention terms of any independent counsel and other advisers hired to assist the Committee in carrying out its duties.
26. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Composition and Procedural Matters

The Committee shall be composed of at least three members of the Board, each of whom is, in the business judgment of the Board, "independent" under the rules of the SEC and the New York Stock Exchange (NYSE). The members of the Committee shall be appointed and may be removed by the Board. No member of the Committee may receive any compensation or consulting, advisory or other fee from the Company, other than Board compensation, as determined in accordance with applicable SEC and NYSE rules. No member of the Committee shall be an affiliated person of the Company. No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years. Members serving on the Audit Committee are limited to serving on two other audit committees of public companies, unless the Board evaluates and determines that these other commitments would not impair his or her effective service to the Company. In accordance with NYSE and SEC rules, all members

shall be “financially literate” and at least one member shall be a “financial expert” with “accounting or related financial management expertise.”

The Audit Committee members are not professional accountants or auditors and their functions are not intended to duplicate or to certify the activities of management and the independent auditor nor can the Committee certify that the independent auditor is “independent” under applicable rules. The Committee serves a board-level oversight role where it provides advice, counsel and direction to management and the independent auditor on the basis of the information it receives, its discussions with the independent auditor and the experience of the Committee’s members in business, financial and accounting matters.

The Company will provide appropriate funding, as determined by the Committee, for compensation to the Company’s independent auditors, to any advisers that the Committee chooses to hire, and for payment of ordinary administration expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.