

APPENDICES

Appendix A

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[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000971
 Date Submitted: 2011-07-27

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	30	0	895
October	30	0	342
November	0	0	0
December	0	0	0
Total		0	1237

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Agricultural. Fish and Wildlife Preservation and Enhancement.

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

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surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment 1 - Supplemental Statement.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000972
 Date Submitted: 2011-06-29

Water is used under	Other: Forfeited
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Irrigation	0 Acres
Stockwatering	0
Domestic	0
Other	00

Changes in Method of Diversion
Water right forfeited.

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	

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Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - S000972.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000973
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000974
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Agricultural

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000975
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	1	24	24
February	1	47	47
March	0.5	6	6
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		77	77

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S000976
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0.75	18	18
February	0.75	35	35
March	0.5	6.9	6.9
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		59.9	59.9

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Agricultural

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S004703
 Date Submitted: 2011-06-29

Water is used under	Other: Forfeited
Year of first use	1876

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Other	Water Right Forfeited

Changes in Method of Diversion

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	
Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - S004703.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S004708
 Date Submitted: 2011-07-29

Water is used under	Pre-1914 Claim
Year of first use	1876

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	140	0	2250.3
August	23.1	0	1152.2
September	79	0	1769.7
October	208.6	0	227.8
November	0	0	0
December	0	0	0
Total		0	5400

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Fish and Wildlife Protection and/or Enhancement, Recreation

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre- Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre- Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment 1 - Supplemental Statement 1.pdf	180 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S009034
 Date Submitted: 2011-07-27

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	70	4190.74	4190.74
February	70	3887.66	3887.66
March	70	4085.13	4085.13
April	70	4150.43	4150.43
May	70	4304.2	4304.2
June	70	4165.35	4165.35
July	70	3263.4	3263.4
August	70	1770.37	1770.37
September	70	1181.4	1181.4
October	70	6.08	6.08
November	70	1.25	1.25
December	70	2731.84	2731.84
Total		33737.85	33737.85

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S009035
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1875

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	430	0	360
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	360

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Agricultural

Changes in Method of Diversion
None.

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment - S009035.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S009304
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1866

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Other	Water from Bass Lake was not used to supplement the Recycled Water system in 2010.

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above surface water use reductions due to	Yes

conservation efforts.

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment - S009304.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S009528
 Date Submitted: 2011-06-29

Water is used under	Other: Reported in S013502
Year of first use	1966

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Other	Reported in S013502

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	
Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
1996.06.27 - EID Letter to DWR.pdf	1 MB
Attachment - S009528.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S010717
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1873

Month	Rate of diversion (GPM)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	60	1.6	1.6
February	64	1.26	1.26
March	64	1.1	1.1
April	60	0.95	0.95
May	60	1.17	1.17
June	60	2.27	2.27
July	75	6.1	6.1
August	75	5.15	5.15
September	70	3.93	3.93
October	70	2.52	2.52
November	60	1.26	1.26
December	60	2.55	2.55
Total		29.86	29.86

Purpose of Use	
Irrigation	90 Acres
Other	Municipal (358 persons), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right. In 2010, individual water meters were installed at each point of delivery.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the	

above surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation

Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater

Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments

File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment - S010717.docx	18 KB

Contact Information of the Person Submitting the Form

First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S013501
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1854

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	2.7	77	77
June	4.6	225	225
July	4.6	270	270
August	4.5	272	272
September	4	221	221
October	3.4	83	83
November	0	0	0
December	0	0	0
Total		1148	1148

Purpose of Use	
Other	Agricultural, Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	
Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
No Attachments	

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S013502
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1852

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	7.2	184.44	184.44
February	10.5	232.94	232.94
March	9.2	493.7	493.7
April	7.9	430.1	430.1
May	10.5	233.7	233.7
June	5.3	204.94	204.94
July	4	40.72	40.72
August	3.4	0	0
September	4.2	41.88	41.88
October	4.4	63.34	63.34
November	4.5	123.02	123.02
December	4.5	172.64	172.64
Total		2221.42	2221.42

Purpose of Use	
Other	Agricultural, Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	
Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
No Attachments	

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S014323
 Date Submitted: 2011-07-27

Water is used under	Pre-1914 Claim
Year of first use	1889

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	10	90	90
May	10	233.42	233.42
June	0	0	0
July	0	0	0
August	0	0	0
September	10	249.4	249.4
October	0	0	0
November	0	0	0
December	0	0	0
Total		572.82	572.82

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Industrial (light manufacturing), Fire Protection, Fish and Wildlife Protection and/or Enhancement

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S014967
 Date Submitted: 2011-07-27

Water is used under	Pre-1914 Claim
Year of first use	1852

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	4	67.27	67.27
June	0	0	0
July	0	0	0
August	0	0	0
September	4	13.6	13.6
October	4	36.8	36.8
November	0	0	0
December	0	0	0
Total		117.67	117.67

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Industrial (light manufacturing), Fire Protection, Fish and Wildlife Protection and/or Enhancement

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S014968
 Date Submitted: 2011-07-27

Water is used under	Pre-1914 Claim
Year of first use	1855

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	5	143.31	143.31
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	5	22.2	22.2
November	0	0	0
December	0	0	0
Total		165.51	165.51

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Industrial (light manufacturing), Fire Protection, Fish and Wildlife Protection and/or Enhancement

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S014969
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1855

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0.5	31	31
February	0.5	28	28
March	0.5	31	31
April	0.5	30	30
May	0.5	31	31
June	0.5	30	30
July	0.5	31	31
August	0.5	31	31
September	0.5	30	30
October	0.5	31	31
November	0.5	30	30
December	0.5	31	31
Total		365	365

Purpose of Use	
Other	Agricultural, Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	No
Describe any water conservation efforts you have initiated	
Reduction in Diversions	
Reduction in consumptive use	
I have data to support the above surface water use reductions due to conservation efforts.	

Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	No
Amount of reduced diversion	
type of substitute water supply	
Amount of substitute water supply used	
I have data to support the above surface water use reductions due to the use of a substitute water supply	

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - S014969.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S015937
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1872

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S015938
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1872

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0.5	30.7	30.7
February	0.5	27.8	27.8
March	0.5	30.7	30.7
April	0.5	29.7	29.7
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0.5	30.7	30.7
Total		149.6	149.6

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S015939
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1872

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0.5	30.7	30.7
February	0.5	27.8	27.8
March	0.5	30.7	30.7
April	0.5	29.7	29.7
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0.5	30.7	30.7
Total		149.6	149.6

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S015940
 Date Submitted: 2011-06-30

Water is used under	Pre-1914 Claim
Year of first use	1872

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total		0	0

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

[FINAL SUBMITTED VERSION]

SUPPLEMENTAL STATEMENT OF WATER DIVERSION AND USE FOR 2010

Primary Owner: EL DORADO IRRIGATION DISTRICT
 Statement Number: S015941
 Date Submitted: 2011-07-29

Water is used under	Pre-1914 Claim
Year of first use	1923

Month	Rate of diversion (CFS)	Amount directly diverted or collected to storage (Acre-Feet)	Amount beneficially used (Acre-Feet)
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	127	0	3572.4
August	121	0	1356.5
September	77	0	2591.4
October	17	0	479.7
November	0	0	0
December	0	0	0
Total		0	8000

Purpose of Use	
Irrigation	4100 Acres
Other	Municipal (114,700 persons), Power Generation (21.0 MW), Industrial (light manufacturing), Fire Protection, Fish and Wildlife Protection and/or Enhancement, Recreation

Changes in Method of Diversion
None

Conservation of Water	
Are you now employing water conservation efforts?	Yes
Describe any water conservation efforts you have initiated	The District is currently implementing water conservation best management practices, including all urban measures reported in our Urban Water Management Plan 2005 Update; and all agricultural measures reported in our USBR Five-Year Water Management Plan Update. Reduction/substitution volumes are District-wide and not attributable solely to this right.
Reduction in Diversions	2631 Acre-Feet
Reduction in consumptive use	
I have data to support the above	

El Dorado Irrigation District WSA - Appendix A

surface water use reductions due to conservation efforts.	Yes
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Water Quality and Wastewater Reclamation	
Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial causes?	Yes
Amount of reduced diversion	2063 Acre-Feet
type of substitute water supply	Recycled
Amount of substitute water supply used	2063 Acre-Feet
I have data to support the above surface water use reductions due to the use of a substitute water supply	Yes

Conjunctive Use of Surface Water and Groundwater	
Are you now using groundwater in lieu of surface water?	No
amounts of groundwater used	
I have data to support the above surface water use reductions due to the use of groundwater.	

Attachments	
File Name	Size
Attachment - Recycled Water.docx	18 KB
Attachment 1 - Supplemental Statement 1.pdf	180 KB

Contact Information of the Person Submitting the Form	
First Name	Brian
Last Name	Mueller
I read the above and agree	Yes

**STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS**

PERMIT FOR DIVERSION AND USE OF WATER

PERMIT 21112

Application 5645B of **El Dorado County Water Agency,
330 Fair Lane,
Placerville, CA 95667;**

**El Dorado Irrigation District,
2890 Mosquito Road,
Placerville, CA 95667**

filed on **July 30, 1927**, has been approved by the State Water Resources Control Board (SWRCB) SUBJECT TO PRIOR RIGHTS and to the limitations and conditions of this permit.

Permittee is hereby authorized to divert and use water as follows:

1. Source:	Tributary to:
a) Silver Lake	Silver Fork American River thence South Fork American River
b) Caples Lake	Caples Creek thence Silver Fork American River thence South Fork American River
c) Lake Aloha	Pyramid Creek thence South Fork American River
d) South Fork American River	American River

within the Counties of **Amador, Alpine and El Dorado**

2. Location of point of diversion and rediversion(*)	40-acre subdivision of public land survey or projection thereof	Section (Projected)*	Township	Range	Base and Meridian
a) Silver Lake Dam: North 65° 30' East, 3,260 feet from the SW corner	NW¼ of SE¼	32	10N	17E	MD
b) Caples Lake Dam: North 51° 41' East, 1,400 feet from the SW corner	SW¼ of SW¼	18	10N	18E	MD
c) Lake Aloha Dam: South 50° 40' West, 2,196 feet from the NE corner	SW¼ of NE¼	30	12N	17E	MD

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d) Folsom Reservoir Pump Station Intake(*):North 25° 06' East, 2,358 feet from the SW corner	NE¼ of NW¼ of SW¼	10	10N	8E	MD
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3. Purpose of use	4. Place of use	Section	Township	Range	Base and Meridian	Acres
Domestic Irrigation Municipal	Within the service area of El Dorado Irrigation District (excluding Service Zones 9, 14 and 15), as described and delineated on the map entitled "El Dorado County Water Agency & El Dorado Irrigation District place of use"		8N	8E, 9E, 10E	MD	
			9N	8E, 9E, 10E, 11E, 12E	MD	
			10N	8E, 9E, 10E, 11E, 12E, 13E	MD	
			11N	8E, 9E, 10E, 11E, 12E, 13E	MD	
			12N	9E, 10E	MD	

The place of use is shown on map on file with the State Water Resources Control Board (SWRCB).

5.
 - a) The total quantity of water to be diverted to storage at Caples Lake, Silver Lake, and Lake Aloha shall not exceed 32,931 acre-feet per annum (afa).
 - b) The water appropriated at Lake Aloha shall be limited to the quantity that can be beneficially used and shall not exceed 5,350 acre-feet per annum to be collected from November 1 through July 31.
 - c) The water appropriated at Caples Lake shall be limited to the quantity that can be beneficially used and shall not exceed 21,581 afa to be collected from November 1 through July 31.
 - d) The water appropriated at Silver Lake shall be limited to the quantity that can be beneficially used and shall not exceed 6,000 afa to be collected from November 1 through July 31.
 - e) The total quantity of water to be diverted at Folsom Reservoir in any one year by direct diversion and redirection of stored water shall be limited to 17,000 acre-feet (af). This maximum diversion amount represents the total quantity of water stored in Lake Aloha, Caples Lake, or Silver Lake that may be rediverted at Folsom Reservoir under this permit.

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- f) The total quantity of water to be diverted by direct diversion at Folsom Reservoir in any one year shall be limited to the quantity that can be beneficially used and shall not exceed 15,000 af per year to be collected from November 1 through July 31. The water that may be directly diverted under this permit shall be limited to water originating in the South Fork American River upstream of the El Dorado Canal diversion near Kyburz. The maximum rate of direct diversion shall not exceed 156 cubic feet per second (cfs).
6. All water appropriated under this permit is subject to the county of origin preferences as required by Water Code sections 10505 and 10505.5. Any water appropriated under this permit is subject to the right of Amador and Alpine Counties to obtain appropriative rights to water necessary for their development from the water originating in their respective counties. This reservation does not and cannot grant water right applicants in the counties of origin the right to divert and use water directly diverted or diverted to storage at Echo Lake, Lake Aloha, Caples Lake or Silver Lake under any rights that El Dorado Irrigation District (EID) may have acquired from Pacific Gas and Electric Company.

Permittee shall make up to 200 afa of storage available in Silver and Caples Lakes for existing and future uses in the immediate vicinity of the lakes in the counties of origin, without cost to applicants in the counties of origin.

7. No water shall be diverted under this permit until permittee has installed devices, satisfactory to the SWRCB, that are capable of measuring instantaneous flow diverted daily from Folsom Reservoir, to be reported annually in operation reports to the SWRCB. The report shall include daily and monthly quantities reported in acre-feet diverted from Folsom Reservoir, and the quantity in acre-feet released from and remaining in each of Caples Lake, Silver Lake and Lake Aloha at the end of each month. The report shall also, on a monthly basis, account for any water diverted from Folsom Reservoir under any other rights, including contracts with the U.S. Bureau of Reclamation (USBR) or others. Streamflows above and below the El Dorado Canal diversion at Kyburz and quantities diverted into the El Dorado distribution headworks shall also be included in these annual reports. The following gages are approved to be used for measuring water released from Caples Lake, Silver Lake, and Lake Aloha, and for computing water available for direct diversion from Folsom Reservoir:

GAGE NAME	USGS IDENTIFICATION NUMBER	TYPE OF RECORD
CAPLES LAKE	USGS 11436900 EID A5 (aka PG&E A5)	RESERVOIR STAGE RECORDER ON CAPLES LAKE
CAPLES LAKE OUTLET NEAR KIRKWOOD	USGS 11437000 EID A6 (aka PG&E A6)	RATED STREAMFLOW RECORDER BELOW CAPLES LAKE OUTLET
CAPLES CREEK RELEASES BELOW CAPLES DAM	USGS 11436999	
SILVER LAKE	USGS 11435900 EID A8 (aka PG7E A8)	RESERVOIR STAGE RECORDER ON SILVER LAKE

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SILVER LAKE OUTLET NEAR KIRKWOOD	USGS 11436000 EID A9 (aka PG&E A9)	RATED STREAMFLOW RECORDER BELOW SILVER LAKE OUTLET
SILVER LAKE LEAKAGE	USGS 11436500	
LAKE ALOHA	EID A1 (aka PG&E A1)	RESERVOIR STAFF GAGE ON LAKE ALOHA
PYRAMID CREEK AT TWIN BRIDGES	USGS 11435100 EID A40 (aka PG&E A40)	RATED STREAMFLOW GAGE RECORDER REPRESENTING OUTFLOW FROM LAKE ALOHA
SOUTH FORK AMERICAN RIVER NEAR KYBURZ (RIVER ONLY)	USGS 11439500 EID A12 (aka PG&E A12)	RATED STREAMFLOW GAGE BELOW EL DORADO DIVERSION DAM
SOUTH FORK AMERICAN RIVER NEAR KYBURZ (TOTAL FLOW)	USGS 11439501 EID A11 (aka PG&E A11)	RATED STREAMFLOW GAGE IN SOUTH FORK AMERICAN RIVER NEAR KYBURZ AND THE EL DORADO CANAL
EL DORADO CANAL NEAR KYBURZ	USGS 11439000	MEASURED FLOWS IN EL DORADO CANAL
EL DORADO IRRIGATION DISTRICT DELIVERY	EID A18 (aka PG&E A18)	RATED STREAM GAGE IN EID CANAL MEASURING PG&E DELIVERIES TO EID
FOLSOM LAKE	EID'S EL DORADO HILLS WATER TREATMENT PLANT	PUMPED WATER CALCULATED FROM FLOW METER MEASUREMENT

8. To protect Lake Aloha’s summer recreational uses, permittee shall not divert water released from the lake for consumptive use, excluding nondiscretionary releases required by the Federal Energy Regulatory Commission (FERC) license for Project 184 or the State Division of Safety of Dams, unless the following requirements are met. End-of-the-month lake levels must remain above historic minimum levels, and average end-of-the-month lake levels, as reviewed at five-year intervals, must remain at or above historic average levels, as shown in the following schedule:

LAKE ALOHA
End-of-Month Lake Level Operational Requirements

MONTH	CRITICAL WATER YEAR E.O.M. STAGE (Gage height, feet)	DRY WATER YEAR E.O.M. STAGE (Gage height, feet)	BELOW NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	ABOVE NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	WET WATER YEAR E.O.M. STAGE (Gage height, feet)
June	Average: 18.3 Minimum: 16.2	Average: 19.6 Minimum: 18.1	Average: 19.5 Minimum: 18.2	Average: 19.5 Minimum: 17.2	Average: 18.1 Minimum: 14.3
July	Average: 11.0 Minimum: 5.0	Average: 15.2 Minimum: 10.1	Average: 17.1 Minimum: 15.3	Average: 18.8 Minimum: 16.6	Average: 19.2 Minimum: 14.6
August	Average: 6.6 Minimum: 5.0	Average: 7.6 Minimum: 5.0	Average: 9.9 Minimum: 5.2	Average: 12.2 Minimum: 7.3	Average: 14.2 Minimum: 8.4
September	Average: 6.0 Minimum: 5.0	Average: 5.7 Minimum: 5.0	Average: 6.8 Minimum: 5.0	Average: 7.6 Minimum: 5.0	Average: 8.1 Minimum: 5.0

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9. To protect Caples Lake’s summer recreational uses, permittee shall not divert water released from the lake for consumptive use, excluding nondiscretionary releases required by the FERC license for Project 184 or the State Division of Safety of Dams, unless the following requirements are met. End-of-the-month lake levels must remain above historic minimum levels, and average end-of-the-month lake levels, as reviewed at five-year intervals, must remain at or above historic average levels, as shown in the following schedule:

**Caples Lake
End-of-the-Month Lake Level Operational Requirements**

MONTH	CRITICAL WATER YEAR E.O.M. STAGE (Gage height, feet)	DRY WATER YEAR E.O.M. STAGE (Gage height, feet)	BELOW NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	ABOVE NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	WET WATER YEAR E.O.M. STAGE (Gage height, feet)
June	Average: 54.1 Minimum: 45.6	Average: 58.9 Minimum: 53.3	Average: 61.5 Minimum: 58.5	Average: 61.8 Minimum: 61.5	Average: 61.4 Minimum: 56.1
July	Average: 52.9 Minimum: 44.5	Average: 57.8 Minimum: 52.1	Average: 60.9 Minimum: 58.9	Average: 61.6 Minimum: 60.4	Average: 61.9 Minimum: 61.3
August	Average: 46.0 Minimum: 33.0	Average: 50.8 Minimum: 44.9	Average: 54.2 Minimum: 49.3	Average: 57.5 Minimum: 51.1	Average: 59.5 Minimum: 56.2
September	Average: 43.0 Minimum: 30.5	Average: 45.4 Minimum: 39.0	Average: 48.2 Minimum: 42.9	Average: 54.0 Minimum: 44.7	Average: 56.8 Minimum: 51.5
October	Average: 41.3 Minimum: 30.1	Average: 41.5 Minimum: 38.0	Average: 41.9 Minimum: 35.6	Average: 50.5 Minimum: 41.0	Average: 52.9 Minimum: 44.3

10. To protect Silver Lake’s summer recreational uses, permittee shall not release water from the lake for consumptive use, power production, or other purposes prior to Labor Day each year, excluding nondiscretionary releases required by the FERC license for Project 184 or the State Division of Safety of Dams. In addition, permittee shall not divert water released from the lake for consumptive use, excluding nondiscretionary releases required by the FERC license for Project 184 or the State Division of Safety of Dams, unless the following requirements are met. End-of-the-month lake levels must remain above historic minimum levels, and average end-of-the-month lake levels, as reviewed at five-year intervals, must remain at or above historic average levels, as shown in the following schedule:

**Silver Lake
End-of-the-Month Lake Level Operational Requirements**

MONTH	CRITICAL WATER YEAR E.O.M. STAGE (Gage height, feet)	DRY WATER YEAR E.O.M. STAGE (Gage height, feet)	BELOW NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	ABOVE NORMAL WATER YEAR E.O.M. STAGE (Gage height, feet)	WET WATER YEAR E.O.M. STAGE (Gage height, feet)
September	Average: 11.3 Minimum: 6.3	Average: 9.6 Minimum: 4.6	Average: 10.4 Minimum: 6.9	Average: 11.3 Minimum: 6.0	Average: 12.0 Minimum: 7.8
October	Average: 7.4 Minimum: 3.0	Average: 5.8 Minimum: 1.3	Average: 5.1 Minimum: 2.3	Average: 5.6 Minimum: 0.8	Average: 6.8 Minimum: 0.7

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11. Conditions 8, 9, and 10 seek to assure that the use of water from Lake Aloha, Caples Lake, and Silver Lake for consumptive use purposes will not have the effect of increasing the releases from the lakes, consistent with the nondiscretionary obligations imposed upon the operations of these lakes by the FERC license for Project 184. Under Water Code section 1394, the SWRCB reserves jurisdiction over this permit, for a period of ten years from the date of this order, to revise these conditions or to promulgate other conditions which may more effectively assure the maintenance of the levels of these lakes as high as possible consistent with historical lake operation. In addition, the SWRCB reserves jurisdiction, for a period of fifteen years from the date of this order or ten years after FERC issues a new license for Project 184, whichever occurs later, to revise these conditions in light of new information concerning the recreational impacts associated with various lake levels.

Either permittee or other interested persons having an interest in how the lakes are operated may petition the SWRCB to revise the schedules or propose other conditions for the maintenance of lake levels. The proponent of such changes shall have the burden of producing evidence to support the requested changes. No changes will be made to these terms without notice to permittee and other interested persons and the opportunity for a hearing.

12. The permittee shall maintain the release, bypass, and lake capacity requirements imposed by the FERC license for Project 184. The SWRCB reserves continuing authority to revise the conditions of this order as the SWRCB may determine to be necessary or appropriate in light of any changes to the release, bypass, lake capacity or related requirements imposed by the FERC license. In addition, the SWRCB reserves continuing authority to adopt conditions to protect inlake and instream beneficial uses of water if permittee ceases the operation of the licensed hydroelectric project. Permittee is required to put the SWRCB on notice at such time as EID commences any proceeding to cease hydropower operations. If EID ceases hydropower operation, permittee shall continue to operate the components of the hydroelectric project as if the FERC license requirements for protecting inlake and instream beneficial uses were still in effect. Permittee shall continue such operations until such time as the SWRCB exercises its reserved jurisdiction and adopts conditions to protect inlake and instream beneficial uses of water. In exercising its reserved jurisdiction, no condition will be adopted without notice to permittee and other interested persons and the opportunity for a hearing.
13. Once every five years, beginning five years from the date of this permit, permittee shall prepare and submit to the SWRCB a compliance report that demonstrates compliance with conditions 8, 9, and 10. In the years when the report is required, it shall be submitted with the annual Progress Report by Permittee.

Permittee also shall include with the annual Progress Report by Permittee an annual report on lake level impacts to recreational uses at Lake Aloha, Caples Lake, and Silver Lake. The report shall include a qualitative analysis of the recreational impacts associated with the end-of-the-month lake levels for the preceding year. The report shall address, at a minimum, whether the end-of-the-month lake levels affected the following: the usability of boat ramps and docks; swimming access, beaches and angler locations;

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campgrounds, picnic areas, recreational residences, organized camps, resorts, and marinas; and aesthetic values.

Permittee also shall make an annual Operating Plan available on EID's web-site and at EID's offices, consistent with EID's Lake Level Operational Commitment, as specified in the 1999 Final EIR for the Acquisition, Permanent Repair, and Operation of the El Dorado Hydroelectric Project and Acquisition of 17,000 Acre-Feet Per Year of New Consumptive Water (1999 EIR).

14. Construction work shall begin within five years of the date of this permit and thereafter be prosecuted with reasonable diligence.
15. Construction work shall be completed by December 31, 2011. (0000009)
16. Complete application of the water to the authorized use shall be made by December 31, 2020. (0000009)
17. The SWRCB shall have continuing authority to revoke all or any portion of this permit and the partial assignment of Application 5645(8) if permittee fails to diligently construct and place water to beneficial use in accordance with conditions 14, 15 and 16. All or any portion of the revoked assignment shall return to the SWRCB and be available for the release or assignment to permittee or others consistent with the requirements of Water Code sections 10500, et seq.
18. No water shall be used under this permit until EID has filed a report of waste discharge with the Central Valley Regional Water Quality Control Board (CVRWQCB) pursuant to Water Code section 13260, and the CVRWQCB or SWRCB has prescribed waste discharge requirements or has indicated that waste discharge requirements are not required. Water may be diverted only during such times as all requirements prescribed by the CVRWQCB or SWRCB are being met. No point source discharges of waste to surface water shall be made unless waste discharge requirements are issued by the CVRWQCB or SWRCB. (0000101)

No water shall be used under this permit until EID has prepared and the CVRWQCB has approved a mitigation plan that will ensure that increased wastewater discharges from the Deer Creek and El Dorado Hills wastewater treatment plants due to the use of water under this permit will not unreasonably affect wildlife habitat or aquatic habitat. The plan shall specify potential impacts to wildlife and aquatic habitat and shall identify potential mitigation measures, including but not limited to measures that will ensure that EID will not adversely affect the beneficial uses of receiving waters designated in the Water Quality Control Plan for the Central Valley Region, Sacramento River and San Joaquin River Basins (1995). The plan also shall identify any potential mitigation measures that will offset any impacts that cannot be mitigated or avoided directly, and

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evaluate the feasibility of all potential mitigation measures identified. As a condition of this permit, EID shall implement the mitigation measures identified in the plan that the CVRWQCB determines are feasible.

19. No water shall be diverted under this permit until El Dorado County has adopted a General Plan that contains policies that are equally or more protective of threatened and endangered plant species than Objective 7.4.1 and the subsequent policies that were contained in the 1996 General Plan, except to the extent that water is delivered to a development project that is approved consistent with the 1996 General Plan.
20. EID shall cooperate with El Dorado County in establishing preserve sites for eight sensitive plant species known as the Pine Hill endemics and their habitats (specifically identified gabbro and serpentine soils).
21. EID shall comply with the El Dorado Irrigation District Urban Water Management Plan (February 26, 1996) and with the Water Conservation Plan for El Dorado Irrigation District (May 4, 1994) Prepared Pursuant to USBR Criteria in Response to the CVPIA, and with subsequent revisions to those plans. EID shall submit a copy of the Urban Water Management Plan and copies of any revisions to either of the plans to the Chief of the Division of Water Rights. Permittee shall include any information necessary to demonstrate compliance with the plans in permittee's annual Progress Report by Permittee.

(0000029A)
22. Prior to the finalization of the route for the pipeline/water delivery system identified in the 1999 EIR, EID shall conduct, in consultation with the Department of Fish and Game (DFG) and the United States Fish and Wildlife Service (USFWS), reconnaissance surveys for state and federally listed threatened and endangered species. The surveys shall, in part, guide the determination of alternatives for the final routes for the pipeline/water delivery system. The survey protocols shall be reviewed and approved by DFG. A final report shall be prepared from the results of the plant/animal surveys. The final report shall include an analysis of the alternative routes considered, and shall identify necessary mitigation and monitoring measures to conserve and protect the species identified to occur within the final routes of the pipeline/water delivery system. The final report shall be submitted to the SWRCB, DFG, and USFWS for review.
23. EID shall implement the following mitigation measures identified in the 1999 EIR. Permittee shall implement those measures summarized in Table 2-1 of the Final EIR that are identified by the following corresponding chapter numbers: 8.2-5, 8.3-1, 8.3-6 & 8.3-7.
24. In accordance with Section 6100 of the Fish and Game Code, no work shall be started on the diversion works and no water shall be diverted under this permit until permittee has implemented measures to protect fishlife. Such measures shall include fish screens, or other suitable methods for the prevention of entrainment or impingement of fish, which meet USFWS and DFG criteria. Permittee shall provide certification that its proposed screening methods meet these criteria. Certification shall be made by USFWS or DFG personnel, a Licensed Civil Engineer, or other suitable professional. Construction,

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operation, and maintenance of any required facility are the responsibility of the permittee. If the fish entrainment prevention device(s) is(are) rendered inoperative for any reason, all diversions shall cease until such time as the device(s) is(are) restored to service.

(0000213)

25. EID shall implement the mitigation measure summarized in Table 2-1 of the Final EIR that is identified by corresponding chapter number 8.3-13. In addition, EID shall implement any mitigation measures identified as part of the project level environmental review of the pipeline/water delivery system designed to mitigate construction impacts to hydrology or water quality. EID shall submit to the Chief of the Division of Water Rights the environmental documentation for the project level review of the pipeline/water delivery system and documentation of EID's approval of the project, including any mitigation measures adopted by EID. EID shall submit this information with a cover letter indicating that the information is being submitted in conformance with condition 25 of this permit.
26. In order to prevent degradation of the quality of water during and after construction of the project, prior to commencement of construction, EID shall file a report pursuant to Water Code section 13260 and shall comply with all waste discharge requirements imposed by the CVRWQCB, or by the SWRCB.
27. No debris, soil, silt, cement that has not set, oil, or other such foreign substance will be allowed to enter into or be placed where it may be washed by rainfall run-off into the waters of the State. When operations are completed, any excess materials or debris shall be removed from the work area.
28. No construction shall be commenced and no water shall be used under this permit until all necessary federal, state and local approvals have been obtained, including any necessary approvals from the CVRWQCB. EID shall abide by any approvals designed to minimize construction impacts to water quality or hydrology.
29. Permittee shall enter into a contract with the USBR for the use of Folsom Reservoir. No water shall be diverted under this permit until the contract is executed and a copy delivered to the Chief of the Division of Water Rights.
30. The SWRCB reserves jurisdiction over this permit to change the season of diversion to conform to later findings of the SWRCB concerning availability of water and the protection of beneficial uses of water in the Sacramento-San Joaquin Delta and San Francisco Bay. Any action to change the authorized season of diversion will be taken only after notice to interested parties and opportunity for hearing.

(0000100)

(0000208)

(0000203)

(0000080)

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31. Before making any change in the project determined by the SWRCB to be substantial, permittee shall submit such change to the SWRCB for its approval in compliance with Water Code section 10504.5(a). (0000119)

ALL PERMITS ISSUED BY THE STATE WATER RESOURCES CONTROL BOARD ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

32. The amount authorized for appropriation may be reduced in the license if investigation warrants. (0000006)
33. Progress reports shall be submitted promptly by permittee when requested by the SWRCB until a license is issued. (0000010)
34. Permittee shall allow representatives of the SWRCB and other parties, as may be authorized from time to time by said SWRCB, reasonable access to project works to determine compliance with the terms of this permit. (0000011)
35. Pursuant to California Water Code sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this permit and under any license issued pursuant thereto, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of SWRCB in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the SWRCB may be exercised by imposing specific requirements over and above those contained in this permit with a view to eliminating waste of water and to meeting the reasonable water requirements of permittee without unreasonable draft on the source. Permittee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this permit and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

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The continuing authority of the SWRCB also may be exercised by imposing further limitations on the diversion and use of water by the permittee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest; and is necessary to preserve or restore the uses protected by the public trust.

(0000012)

36. The quantity of water diverted under this permit and under any license issued pursuant thereto is subject to modification by the SWRCB if, after notice to the permittee and an opportunity for hearing, the SWRCB finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the SWRCB finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

(0000013)

37. This permit does not authorize any act which results in the taking of a threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code sections 2050 to 2097) or the federal Endangered Species Act (16 U.S.C.A. sections 1531 to 1544). If a "take" will result from any act authorized under this water right, the permittee shall obtain authorization for an incidental take prior to construction or operation of the project. Permittee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this permit.

(0000014)

38. Permittee shall maintain records of the amount of water diverted and used to enable the State Water Resources Control Board to determine the amount of water that has been applied to beneficial use pursuant to Water Code Section 1605.

(0000015)

39. In accordance with section 1601, 1603, and/or section 6100 of the Fish and Game Code, no work shall be started on the diversion works and no water shall be diverted under this permit until permittee has entered into a stream or lake alteration agreement with DFG and/or DFG has determined that measures to protect fishlife have been incorporated into the plans for construction of such diversion works. Construction, operation, and maintenance costs of any required facility are the responsibility of the permittee.

(0000063)

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This permit is issued and permittee takes it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Dated: April 6, 2007

STATE WATER RESOURCES CONTROL BOARD

Original Signed By:

James W. Kassel

For Chief, Division of Water Rights

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

In the Matter of Licenses 11835 and 11836 (Applications 2270 and 5645A)
of El Dorado Irrigation District

**ORDER APPROVING ADDITION OF PURPOSE OF USE
AND ISSUING AMENDED LICENSES**

SOURCE: Camp Creek and North Fork Cosumnes River
COUNTY: El Dorado

WHEREAS:

1. License 11835 was issued to the United States Bureau of Reclamation, Mid-Pacific Region pursuant to permitted Application 2270 on January 17, 1986, and was recorded with the County Recorder of El Dorado County on January 24, 1986, in Book 2528, Page 338. License 11836 was issued to the United States Bureau of Reclamation, Mid-Pacific Region pursuant to permitted Application 5645A on January 17, 1986 and was recorded with the County Recorder of El Dorado County on January 24, 1986 in Book 2528, Page 343. Recording of these licenses, and subsequent orders issued thereto, is prescribed by Water Code section 1650.
2. The Division of Water Rights (Division) record of ownership for Licenses 11835 and 11836 shows the current holder of the licenses as El Dorado Irrigation District (EID).
3. On January 7, 2010, EID filed petitions to include incidental power generation as a purpose of use under EID water right Licenses 11835 and 11836 (Applications 2270 and 5645A, respectively). The incidental power will be generated at the Tank 7 In-Conduit Hydroelectric Project (Tank 7 Project) at an existing EID drinking water facility. Public notice of these petitions was not issued pursuant to California Code of Regulations, Title 23, section 795(a). Addition of incidental hydropower generation using water routed through the existing underground water system conduit will not change the timing, location, amount, or rate of diversions under the licenses. The proposed project adds incidental power as a use and does not otherwise change the use of the water diverted. EID notified the California Department of Fish and Game (DFG) of the proposed change and DFG did not object.
4. On January 6, 2010, EID filed a Notice of Exemption (NOE) for the proposed Tank 7 Project. The project is considered exempt under CEQA Guidelines Section 15328 which exempts small hydroelectric projects at existing facilities, provided that the capacity of the proposed facility is 5 megawatts or less, will not be located in an environmentally sensitive area, and will not adversely impact water quality or fish habitat. Further, as defined in 18 CFR 380.4(a)(14), exemptions for small conduit hydroelectric facilities have been determined by the Federal Energy Regulatory Commission (FERC) to not have a significant effect on the human environment, either individually or cumulatively. Therefore, these projects do not require the preparation of an Environmental Assessment or an Environmental Impact Statement in compliance with the National Environmental Policy Act. As defined by FERC, consideration of the environmental effects of a small conduit hydroelectric facility is limited to the area contained within the project boundaries. The proposed project meets FERC Conduit Exemption requirements as it does not change the timing, location or amount of water delivered through the existing EID pipeline conveyance system and is entirely located on non-federally owned land. The State Water Board will issue an NOE for the incidental power project.

5. The petitioned change does not constitute the initiation of a new right nor operate to the injury of any other lawful user of water.
6. Amended Licenses 11835 and 11836 shall be issued, which incorporate the terms of the order below. The term numbers in the amended licenses reflect changes in the Division's standard format and do not match the numbers in the original licenses.

THEREFORE, IT IS HEREBY ORDERED THAT EL DORADO IRRIGATION DISTRICT'S LICENSES 11835 AND 11836 (APPLICATIONS 2270 AND 5645A) ARE AMENDED AS FOLLOWS:

1. The condition of the licenses related to the purpose of use shall be amended to include incidental hydroelectric power generation at: California Coordinates, NAD 83, Zone 3, North 2,010,614 feet and East 6,915,431 feet, being within the NE ¼ of SE ¼ of Section 33, T10N, R11E, MDB&M.
2. The State Water Board standard license terms pertaining to continuing authority, water quality objectives, protection of endangered species, and the need for State Department of Fish and Game stream alteration agreement shall be updated or added to the amended licenses.
3. The State Water Board has determined the amended licenses do not constitute initiation of a new right, and do not injure prior rights or the public trust resources of the State.
4. The State Water Board has delegated the authority to act on change petitions to the Deputy Director for Water Rights (Deputy Director) pursuant to Resolution No. 2007-0057. (Resolution No. 2007-0057, section 4.2.4) Resolution No. 2007-0057 authorizes the Deputy Director to redelegate this authority to the Assistant Deputy Director for Water Rights. This authority has been so redelegated.
5. All other license terms and conditions not specifically modified or added by this Order shall remain in effect.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY
JAMES W. KASSEL FOR:

Barbara Evoy
Deputy Director for Water Rights

Dated: OCT 25 2010



STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

Amended License for Diversion and Use of Water

APPLICATION 2270
Page 1 of 5

PERMIT 2631

LICENSE 11835

THIS IS TO CERTIFY, That

El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

has the right to the use of the waters of **(1) Sly Park Creek and (2) Camp Creek in El Dorado County** tributary to **(1) Camp Creek and (2) North Fork Cosumnes River thence Cosumnes River thence Mokelumne River thence San Joaquin River**

for the purpose of **Irrigation, Industrial, Municipal, Domestic, Recreational, Fish and Wildlife Enhancement, and Incidental Hydropower Generation uses.**

Amended License 11835 supersedes the license originally issued on **January 17, 1986** which was perfected in accordance with the laws of California, the Regulations of the State Water Resources Control Board (State Water Board), or its predecessor, and the terms of **Permit 2631**. The priority of this right dates from **March 22, 1921**. Proof of maximum beneficial use of water under this license was made as of **November 4, 1980**.

The amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed **(a) twenty-seven and one-tenth (27.1) cubic feet per second by direct diversion from Sly Park Creek to be diverted from April 15 to June 15 of each year and (b) forty-three and eight-tenths (43.8) cubic feet per second by direct diversion from Camp Creek to be diverted from April 15 to June 15 of each year, provided that the combined direct diversion rate shall not exceed 63.8 cubic feet per second; (c) seven thousand (7,000) acre-feet per annum by storage to be collected from November 15 of each year to June 1 of the succeeding year from Sly Park Creek and (d) fifteen thousand (15,000) acre-feet per annum by storage to be collected from November 15 of each year to June 15 of the succeeding year from Camp Creek.**

The total amount of water collected to storage under this license and license issued pursuant to Application 5645A shall not exceed 36,700 are-feet per year.

The combined total amount of water to be taken from the sources (direct diversion plus collection to storage) under this license and license issued pursuant to Application 5645A shall not exceed 40,300 acre-feet per year. The combined total amount of water to be placed to beneficial use (direct diversion plus withdrawal from storage) under this license and license issued pursuant to Application 5645A shall not exceed 33,400 acre-feet per year.

The equivalent of such continuous flow allowance for any 30-day period may be diverted in a shorter time provided there be no interference with other vested rights and instream beneficial uses; and provided further that all terms or conditions protecting instream beneficial uses be observed.

(000027)

This license does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(0000005)

THE POINT OF DIVERSION AND DIVERSION TO OFFSTREAM STORAGE OF SUCH WATER IS LOCATED:

Camp Creek Diversion Dam - By California Coordinate System of 1983, Zone 2, North 2,029,085 feet and East 6,982,461 feet, being within NE ¼ of NW ¼ of Section 15, T10N, R13E, MDB&M.

THE POINT OF DIVERSION AND REDIVERSION OF SUCH WATER IS LOCATED:

Sly Park Dam – By California Coordinate System of 1983, Zone 2, North 2,025,485 feet and East 6,972,060 feet, being within NE ¼ of SW ¼ of Section 17, T10N, R13E, MDB&M.

THE POINT OF REDIVERSION OF SUCH WATER IS LOCATED:

Granlees Dam – By California Coordinate System of 1983, Zone 2, North 1,944,357 feet and East 6,829,028 feet, being within SW ¼ of SE ¼ of Section 35, T8N, R8E, MDB&M.

A DESCRIPTION OF THE LANDS OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

Recreational and fish and wildlife enhancement uses at Jenkinson Lake and irrigation of a net of 6,300 acres within a gross area of 200,600 acres, together with other listed uses within the service area of El Dorado Irrigation District (including Rancho Murieta), as shown on maps filed with State Water Board. Incidental hydroelectric power generation use at the Tank 7 In-Conduit Hydroelectric Project at California Coordinates, NAD 83, Zone 3, North 2,010,614 feet and East 6,915,431 feet, being within the NE ¼ of SE ¼ of Section 33, T10N, R11E, MDB&M.

This license is subject to the agreement dated April 6, 1979 between licensee and Omochumne-Hartnell Water District, to the extent such agreement covers matters within the Board’s jurisdiction.

(0430300)

Licensee shall at all times bypass at Sly Park Dam a minimum of 1 cubic foot per second (cfs), or the natural flow of Sly Park Creek, whichever is less, and at all times bypass at Camp Creek Diversion Dam a minimum of 2 cfs or the natural flow, whichever is less, to maintain fish life.

Licensee, considering hydrologic conditions and water use requirements, shall estimate in April of each year the storage that will exist in Jenkinson Lake on the following September 30 and revise such estimate as often as hydrologic conditions and water use requirements warrant such revision. If such estimate or re-estimate exceeds 23,800 acre-feet, licensee shall so advise Department of Fish and Game.

If the estimated September 30 storage exceeds 23,800 acre-feet, licensee shall release to Sly Park Creek up to 5 cfs, including the 1 cfs provided for above, of such excess on a constant-flow pattern during the period May through October or during such portion of said period as remains after revisions of the licensee’s estimate.

Licensee shall, if requested by Department of Fish and Game release said excess on a pattern other than a constant-flow pattern.

Licensee will develop an irrigated 1-acre area for wildlife only on the northerly side of Jenkinson Lake. Details of implementation will be arranged between licensee and Department of Fish and Game.

(0350999)

Licensee, using existing measuring devices for the purpose, shall maintain daily records of diversions from Camp Creek to Jenkinson Lake and of changes in storage in Jenkinson Lake and releases into the North Fork Cosumnes River for delivery to Rancho Murieta, satisfactory to the State Water Board, to allow a reasonably accurate determination of the amount of stored water released from Jenkinson Lake into the North Fork Cosumnes River for delivery to Rancho Murieta, as distinguished from the natural flow of the stream.

(0090400)

Measuring devices are installed at the point of rediversion of stored water to Rancho Murieta from the Cosumnes River, and daily records shall be maintained of diversions at said point, which records shall be available to the State Water Board and to Omochumne-Hartnell Water District. The location of the rediversion shall be identified as the forebay of the Rancho Murieta pumping plants located between Granlees Dam and Cosumnes Irrigation Association ditch.

(0090400)

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

Reports shall be filed promptly by the licensee on the appropriate forms which will be provided for the purpose from time to time by the State Water Board.

Licensee shall allow representatives of the State Water Board and other parties, as may be authorized from time to time by the State Water Board, reasonable access to project works to determine compliance with the terms of this license.

Pursuant to Water Code sections 100 and 275 and the common law public trust doctrine, all rights and privileges under this license, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this license with a view to eliminating waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to: (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirement for the authorized project. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by the licensee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution article X, section 2; is consistent with the public interest and is necessary to preserve or restore the uses protected by the public trust.

The quantity of water diverted under this license is subject to modification by the State Water Board if, after notice to the licensee and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that: (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

This license does not authorize any act which results in the taking of a threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code sections 2050 to 2089) or the federal Endangered Species Act (16 U.S.C.A. sections 1531 to 1544). If a "take" will result from any act authorized under this water right, the licensee shall obtain authorization for an incidental take prior to construction or operation of the project. Licensee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this license.

If construction or rehabilitation work is required for the diversion works covered by this license within the bed, channel, or bank of the affected water body, the licensee shall enter into a streambed or lake alteration agreement with the State Department of Fish and Game. Licensee shall submit a copy of the agreement, or waiver thereof, to the Division of Water Rights prior to commencement of work. Compliance with the terms and conditions of the agreement is the responsibility of the licensee.

This license is granted and the licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the SWRCB.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article (of the Water Code) and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY
JAMES W. KASSEL FOR:

Barbara Evoy
Deputy Director for Water Rights

Dated: OCT 25 2010



STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

License for Diversion and Use of Water

APPLICATION 2270
Page 1 of 4

PERMIT 2631

LICENSE **11835**

THIS IS TO CERTIFY, That United States Bureau of Reclamation, Mid-Pacific Region
2800 Cottage Way
Sacramento, California 95825

has made proof as of November 4, 1980 (the date of inspection)
to the satisfaction of the State Water Resources Control Board of a right to the use of the water of
(1) Sly Park Creek and (2) Camp Creek in El Dorado County

tributary to (1) Camp Creek and (2) North Fork Cosumnes River thence Cosumnes River thence Mokelumne River thence San Joaquin River

for the purpose of Irrigation, Industrial, Municipal, Domestic, Recreational and Fish and Wildlife Enhancement uses

under Permit 2631 of the Board and that the right to the use of this water has been perfected in accordance with the laws of California, the Regulations of the Board and the permit terms; that the priority of this right dates from March 22, 1921 and that the amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed (a) twenty-seven and one-tenth (27.1) cubic feet per second by direct diversion from Sly Park Creek to be diverted from April 15 to June 15 of each year and (b) forty-three and eight-tenths (43.8) cubic feet per second by direct diversion from Camp Creek to be diverted from April 15 to June 15 of each year, provided that the combined direct diversion rate shall not exceed 63.8 cubic feet per second; (c) seven thousand (7,000) acre-feet per annum by storage to be collected from November 15 of each year to June 1 of the succeeding year from Sly Park Creek and (d) fifteen thousand (15,000) acre-feet per annum by storage to be collected from November 15 of each year to June 15 of the succeeding year from Camp Creek.

The total amount of water collected to storage under this license and license issued pursuant to Application 5645A shall not exceed 36,700 acre-feet per year.

The combined total amount of water to be taken from the sources (direct diversion plus collection to storage) under this license and license issued pursuant to Application 5645A shall not exceed 40,300 acre-feet per year. The combined total amount of water to be placed to beneficial use (direct diversion plus withdrawal from storage) under this license and license issued pursuant to Application 5645A shall not exceed 33,400 acre-feet per year.

The equivalent of such continuous flow allowance for any 30-day period may be diverted in a shorter time provided there be no interference with other vested rights and instream beneficial uses; and provided further that all terms or conditions protecting instream beneficial uses be observed.

(000027)

This license does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(0000005)

THE POINT OF DIVERSION AND DIVERSION TO OFFSTREAM STORAGE OF SUCH WATER IS LOCATED:

Camp Creek Diversion Dam - North 120 feet and East 7,420 feet from NE corner of Section 17, T10N, R13E, MDB&M, being within NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 15, T10N, R13E, MDB&M.

THE POINT OF DIVERSION AND REDIVERSION OF SUCH WATER IS LOCATED:

Sly Park Dam - South 3,375 feet and West 2,830 feet from NE corner of Section 17, T10N, R13E, MDB&M, being within NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Section 17.

THE POINT OF REDIVERSION OF SUCH WATER IS LOCATED:

Granlees Dam - By California Coordinates, Zone 2, North 303,970 and East 2,267,670, being within SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 35, T8N, R8E, MDB&M.

A DESCRIPTION OF THE LANDS OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

Recreational and fish and wildlife enhancement uses at Jenkinson Lake and irrigation of a net of 6,300 acres within a gross area of 200,600 acres, together with other listed uses within the service area of El Dorado Irrigation District (including Rancho Murieta), as shown on maps file with State Water Resources Control Board.

This license is subject to the agreement dated April 6, 1979 between licensee and Omochumne-Hartnell Water District, to the extent such agreement covers matters within the Board's jurisdiction.

(0430300)

Licensee and El Dorado Irrigation District shall at all times bypass at Sly Park Dam a minimum of 1 cfs, or the natural flow of Sly Park Creek, whichever is less, and at all times bypass at Camp Creek Diversion Dam a minimum of 2 cfs or the natural flow, whichever is less, to maintain fish life.

(0140400)

Licensee, considering hydrologic conditions and water use requirements, shall estimate in April of each year the storage that will exist in Jenkinson Lake on the following September 30 and revise such estimate as often as hydrologic conditions and water use requirements warrant such revision. If such estimate or re-estimate exceeds 23,800 acre-feet, licensee shall so advise Department of Fish and Game.

If the estimated September 30 storage exceeds 23,800 acre-feet, licensee and El Dorado Irrigation District shall release to Sly Park Creek up to 5 cfs, including the 1 cfs provided for above, of such excess on a constant-flow pattern during the period May through October or during such portion of said period as remains after revisions of the licensee's estimate.

Licensee and El Dorado Irrigation District shall, if requested by Department of Fish and Game release said excess on a pattern other than a constant-flow pattern.

El Dorado Irrigation District will develop an irrigated 1-acre area for wildlife only on the northerly side of Jenkinson Lake. Details of implementation will be arranged between El Dorado Irrigation District and Department of Fish and Game.

(0350999)

Licensee, using existing measuring devices for the purpose, shall maintain daily records of diversions from Camp Creek to Jenkinson Lake and of changes in storage in Jenkinson Lake and releases into the North Fork Cosumnes River for delivery to Rancho Murieta, satisfactory to the State Water Resources Control Board, to allow a reasonably accurate determination of the amount of stored water released from Jenkinson Lake into the North Fork Cosumnes River for delivery to Ranch Murieta, as distinguished from the natural flow of the stream.

(0090400)

Measuring devices are installed at the point of rediversion of stored water to Rancho Murieta from the Cosumnes River, and daily records shall be maintained of diversions at said point, which records shall be available to the State Water Resources Control Board and to Omochumne-Hartnell Water District. The location of the rediversion shall be identified as the forebay of the Rancho Murieta pumping plants located between Granlees Dam and Cosumnes Irrigation Association ditch.

(0090400)

APPLICATION 2270
Page 4 of 4

PERMIT 2631

LICENSE 11835

Licensee shall allow representatives of the Board and other parties, as may be authorized from time to time by the Board, reasonable access to project works to determine compliance with the terms of this license.

The quantity of water diverted under this license is subject to modification by the State Water Resources Control Board if, after notice to the licensee and an opportunity for hearing, the Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

Pursuant to California Water Code Sections 100 and 275 and the public trust doctrine, all rights and privileges under this license, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Resources Control Board in accordance with law and in the interest of the public welfare to protect public trust uses, prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

This continuing authority of the Board may be exercised by imposing specific requirements over and above those contained in this license with a view to minimizing waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement such programs as (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the board also may be exercised by imposing further limitations on the diversion and use of water by the licensee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the board determines, after notice to affected parties and opportunity for hearing, that such action takes into account the public interest and is necessary to protect public trust uses. All such actions shall conform to the standard of reasonableness contained in Article X, Section 2 of the California Constitution.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time to time by the Board.

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the Board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated: JANUARY 17 1986

STATE WATER RESOURCES CONTROL BOARD

Lloyd Johnson
Chief, Division of Water Rights

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

In the Matter of Licenses 11835 and 11836 (Applications 2270 and 5645A)
of El Dorado Irrigation District

**ORDER APPROVING ADDITION OF PURPOSE OF USE
AND ISSUING AMENDED LICENSES**

SOURCE: Camp Creek and North Fork Cosumnes River
COUNTY: El Dorado

WHEREAS:

1. License 11835 was issued to the United States Bureau of Reclamation, Mid-Pacific Region pursuant to permitted Application 2270 on January 17, 1986, and was recorded with the County Recorder of El Dorado County on January 24, 1986, in Book 2528, Page 338. License 11836 was issued to the United States Bureau of Reclamation, Mid-Pacific Region pursuant to permitted Application 5645A on January 17, 1986 and was recorded with the County Recorder of El Dorado County on January 24, 1986 in Book 2528, Page 343. Recording of these licenses, and subsequent orders issued thereto, is prescribed by Water Code section 1650.
2. The Division of Water Rights (Division) record of ownership for Licenses 11835 and 11836 shows the current holder of the licenses as El Dorado Irrigation District (EID).
3. On January 7, 2010, EID filed petitions to include incidental power generation as a purpose of use under EID water right Licenses 11835 and 11836 (Applications 2270 and 5645A, respectively). The incidental power will be generated at the Tank 7 In-Conduit Hydroelectric Project (Tank 7 Project) at an existing EID drinking water facility. Public notice of these petitions was not issued pursuant to California Code of Regulations, Title 23, section 795(a). Addition of incidental hydropower generation using water routed through the existing underground water system conduit will not change the timing, location, amount, or rate of diversions under the licenses. The proposed project adds incidental power as a use and does not otherwise change the use of the water diverted. EID notified the California Department of Fish and Game (DFG) of the proposed change and DFG did not object.
4. On January 6, 2010, EID filed a Notice of Exemption (NOE) for the proposed Tank 7 Project. The project is considered exempt under CEQA Guidelines Section 15328 which exempts small hydroelectric projects at existing facilities, provided that the capacity of the proposed facility is 5 megawatts or less, will not be located in an environmentally sensitive area, and will not adversely impact water quality or fish habitat. Further, as defined in 18 CFR 380.4(a)(14), exemptions for small conduit hydroelectric facilities have been determined by the Federal Energy Regulatory Commission (FERC) to not have a significant effect on the human environment, either individually or cumulatively. Therefore, these projects do not require the preparation of an Environmental Assessment or an Environmental Impact Statement in compliance with the National Environmental Policy Act. As defined by FERC, consideration of the environmental effects of a small conduit hydroelectric facility is limited to the area contained within the project boundaries. The proposed project meets FERC Conduit Exemption requirements as it does not change the timing, location or amount of water delivered through the existing EID pipeline conveyance system and is entirely located on non-federally owned land. The State Water Board will issue an NOE for the incidental power project.

5. The petitioned change does not constitute the initiation of a new right nor operate to the injury of any other lawful user of water.
6. Amended Licenses 11835 and 11836 shall be issued, which incorporate the terms of the order below. The term numbers in the amended licenses reflect changes in the Division's standard format and do not match the numbers in the original licenses.

THEREFORE, IT IS HEREBY ORDERED THAT EL DORADO IRRIGATION DISTRICT'S LICENSES 11835 AND 11836 (APPLICATIONS 2270 AND 5645A) ARE AMENDED AS FOLLOWS:

1. The condition of the licenses related to the purpose of use shall be amended to include incidental hydroelectric power generation at: California Coordinates, NAD 83, Zone 3, North 2,010,614 feet and East 6,915,431 feet, being within the NE ¼ of SE ¼ of Section 33, T10N, R11E, MDB&M.
2. The State Water Board standard license terms pertaining to continuing authority, water quality objectives, protection of endangered species, and the need for State Department of Fish and Game stream alteration agreement shall be updated or added to the amended licenses.
3. The State Water Board has determined the amended licenses do not constitute initiation of a new right, and do not injure prior rights or the public trust resources of the State.
4. The State Water Board has delegated the authority to act on change petitions to the Deputy Director for Water Rights (Deputy Director) pursuant to Resolution No. 2007-0057. (Resolution No. 2007-0057, section 4.2.4) Resolution No. 2007-0057 authorizes the Deputy Director to redelegate this authority to the Assistant Deputy Director for Water Rights. This authority has been so redelegated.
5. All other license terms and conditions not specifically modified or added by this Order shall remain in effect.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY
JAMES W. KASSEL FOR:

Barbara Evoy
Deputy Director for Water Rights

Dated: OCT 25 2010



STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

Amended License for Diversion and Use of Water

APPLICATION 5645A
Page 1 of 5

PERMIT 12258

LICENSE 11836

THIS IS TO CERTIFY, That

El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

has the right to the use of the waters of **(1) Sly Park Creek and (2) Camp Creek in El Dorado County** tributary to **(1) Camp Creek and (2) North Fork Cosumnes River thence Cosumnes River thence Mokelumne River thence San Joaquin River**

for the purpose of **Irrigation, Industrial, Municipal, Domestic, Recreational, Fish and Wildlife Enhancement, and Incidental Hydropower Generation uses.**

Amended License 11836 supersedes the license originally issued on **January 17, 1986** which was perfected in accordance with the laws of California, the Regulations of the State Water Resources Control Board (State Water Board), or its predecessor, and the terms of **Permit 5645A**. The priority of this right dates from **July 30, 1927**. Proof of maximum beneficial use of water under this license was made as of **November 4, 1980**.

The amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed **(a) thirty and seven tenths (30.7) cubic feet per second by direct diversion from Sly Park Creek to be diverted from November 1 of each year to April 14 of the succeeding year and from June 16 to June 30 of each year and (b) twenty-four and two-tenths (24.2) cubic feet per second by direct diversion from Camp Creek to be diverted from November 1 of each year to April 14 of the succeeding year and from June 16 to June 30 of each year, provided that the combined direct diversion rate shall not exceed 32.5 cubic feet per second; (c) five thousand four hundred (5,400) acre-feet per annum by storage to be collected from November 1 of each year to June 30 of the succeeding year from Sly Park Creek and (d) nine thousand four hundred (9,400) acre-feet per annum by storage to be collected from November 1 of each year to June 30 of the succeeding year from Camp Creek.**

The total amount of water collected to storage under this license and license issued pursuant to Application 2270 shall not exceed 36,700 acre-feet per year.

The combined total amount of water to be taken from the sources (direct diversion plus collection to storage) under this license and license issued pursuant to Application 2270 shall not exceed 40,300 acre-feet per year. The combined total amount of water to be placed to beneficial use (direct diversion plus withdrawal from storage) under this license and license issued pursuant to Application 2270 shall not exceed 33,400 acre-feet per year.

The maximum rate of diversion from Camp Creek to offstream storage in Jenkinson Lake under this license and license issued pursuant to Application 2270 shall not exceed 500 cubic feet per second.

The equivalent of such continuous flow allowance for any 30-day period may be diverted in a shorter time provided there be no interference with other vested rights and instream beneficial uses; and provided further that all terms or conditions protecting instream beneficial uses be observed.

(0000027)

This license does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(0000005)

THE POINT OF DIVERSION AND DIVERSION TO OFFSTREAM STORAGE OF SUCH WATER IS LOCATED:

Camp Creek Diversion Dam - By California Coordinate System of 1983, Zone 2, North 2,029,085 feet and East 6,982,461 feet, being within NE ¼ of NW ¼ of Section 15, T10N, R13E, MDB&M.

THE POINT OF DIVERSION AND REDIVERSION OF SUCH WATER IS LOCATED:

Sly Park Dam – By California Coordinate System of 1983, Zone 2, North 2,025,485 feet and East 6,972,060 feet, being within NE ¼ of SW ¼ of Section 17, T10N, R13E, MDB&M.

THE POINT OF REDIVERSION OF SUCH WATER IS LOCATED:

Granlees Dam – By California Coordinate System of 1983, Zone 2, North 1,944,357 feet and East 6,829,028 feet, being within SW ¼ of SE ¼ of Section 35, T8N, R8E, MDB&M.

A DESCRIPTION OF THE LANDS OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

Recreational and fish and wildlife enhancement uses at Jenkinson Lake and irrigation of a net of 6,300 acres within a gross area of 200,600 acres, together with other listed uses within the service area of El Dorado Irrigation District (including Rancho Murieta), as shown on maps filed with State Water Board. Incidental hydroelectric power generation use at the Tank 7 In-Conduit Hydroelectric Project, at California Coordinates, NAD 83, Zone 3, North 2,010,614 feet and East 6,915,431 feet, being within the NE ¼ of SE ¼ of Section 33, T10N, R11E, MDB&M.

This license is subject to the agreement dated April 6, 1979 between licensee and Omochumne-Hartnell Water District, to the extent such agreement covers both matters within the Board's jurisdiction.

(0430300)

Licensee shall at all times bypass at Sly Park Dam a minimum of 1 cubic foot per second (cfs), or the natural flow of Sly Park Creek, whichever is less, and at all times bypass at Camp Creek Diversion Dam a minimum of 2 cfs or the natural flow, whichever is less, to maintain fish life.

Licensee, considering hydrologic conditions and water use requirements, shall estimate in April of each year the storage that will exist in Jenkinson Lake on the following September 30 and revise such estimate as often as hydrologic conditions and water use requirements warrant such revision. If such estimate or re-estimate exceeds 23,800 acre-feet, licensee shall so advise Department of Fish and Game.

If the estimated September 30 storage exceeds 23,800 acre-feet, licensee shall release to Sly Park Creek up to 5 cfs, including the 1 cfs provided for above, of such excess on a constant-flow pattern during the period May through October or during such portion of said period as remains after revisions of the licensee's estimate.

Licensee shall, if requested by Department of Fish and Game release said excess on a pattern other than a constant-flow pattern.

Licensee will develop an irrigated 1-acre area for wildlife only on the northerly side of Jenkinson Lake. Details of implementation will be arranged between licensee and Department of Fish and Game.

(0350999)

Before making any change in the project determined by the State Water Resources Control Board to be substantial, licensee shall submit such change to the Board for its approval in compliance with Water Code section 10504.5(A).

(0140400)

Licensee, using existing measuring devices for the purpose, shall maintain daily records of diversions from Camp Creek to Jenkinson Lake and of changes in storage in Jenkinson Lake and releases into the North Fork Cosumnes River for delivery to Rancho Murieta, satisfactory to the State Water Board, to allow a reasonably accurate determination of the amount of stored water released from Jenkinson Lake into the North Fork Cosumnes River for delivery to Rancho Murieta, as distinguished from the natural flow of the stream.

(0090400)

Measuring devices are installed at the point of rediversion of stored water to Rancho Murieta from the Cosumnes River, and daily records shall be maintained of diversions at said point, which records shall be available to the State Water Board and to Omochumne-Hartnell Water District. The location of the rediversion shall be identified as the forebay of the Rancho Murieta Pumping plants located between Granlees Dam and Cosumnes Irrigation Association ditch.

(0090400)

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

Reports shall be filed promptly by the licensee on the appropriate forms which will be provided for the purpose from time to time by the State Water Board.

Licensee shall allow representatives of the State Water Board and other parties, as may be authorized from time to time by the State Water Board, reasonable access to project works to determine compliance with the terms of this license.

Pursuant to Water Code sections 100 and 275 and the common law public trust doctrine, all rights and privileges under this license, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this license with a view to eliminating waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to: (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirement for the authorized project. No action will be taken pursuant to this paragraph unless the SWRCB determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by the licensee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution article X, section 2; is consistent with the public interest and is necessary to preserve or restore the uses protected by the public trust.

The quantity of water diverted under this license is subject to modification by the State Water Board if, after notice to the licensee and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that: (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

This license does not authorize any act which results in the taking of a threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code sections 2050 to 2089) or the federal Endangered Species Act (16 U.S.C.A. sections 1531 to 1544). If a "take" will result from any act authorized under this water right, the licensee shall obtain authorization for an incidental take prior to construction or operation of the project. Licensee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this license.

If construction or rehabilitation work is required for the diversion works covered by this license within the bed, channel, or bank of the affected water body, the licensee shall enter into a streambed or lake alteration agreement with the State Department of Fish and Game. Licensee shall submit a copy of the agreement, or waiver thereof, to the Division of Water Rights prior to commencement of work. Compliance with the terms and conditions of the agreement is the responsibility of the licensee.

This license is granted and the licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the SWRCB.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article (of the Water Code) and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY
JAMES W. KASSEL FOR:

Barbara Evoy
Deputy Director for Water Rights

Dated: OCT 25 2010



STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

License for Diversion and Use of Water

APPLICATION 5645A
Page 1 of 4

PERMIT 12258

LICENSE **11836**

THIS IS TO CERTIFY, That United States Bureau of Reclamation, Mid-Pacific Region
2800 Cottage Way
Sacramento, California 95825

has made proof as of November 4, 1980 (the date of inspection)
to the satisfaction of the State Water Resources Control Board of a right to the use of the water of
(1) Sly Park Creek and (2) Camp Creek in El Dorado County

tributary to (1) Camp Creek and (2) North Fork Cosumnes River thence Cosumnes River thence Mokelumne River thence San Joaquin River

Irrigation, Industrial, Municipal, Domestic, Recreational and
for the purpose of Fish and Wildlife Enhancement uses

under Permit 12258 of the Board and that the right to the use of this water has been perfected in accordance with the laws of California, the Regulations of the Board and the permit terms; that the priority of this right dates from July 30, 1927 and that the amount of water to which this right is entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall not exceed (a) thirty and seven tenths (30.7) cubic feet per second by direct diversion from Sly Park Creek to be diverted from November 1 of each year to April 14 of the succeeding year and from June 16 to June 30 of each year and (b) twenty-four and two-tenths (24.2) cubic feet per second by direct diversion from Camp Creek to be diverted from November 1 of each year to April 14 of the succeeding year and from June 16 to June 30 of each year, provided that the combined direct diversion rate shall not exceed 32.5 cubic feet per second; (c) five thousand four hundred (5,400) acre-feet per annum by storage to be collected from November 1 of each year to June 30 of the succeeding year from Sly Park Creek and (d) nine thousand four hundred (9,400) acre-feet per annum by storage to be collected from November 1 of each year to June 30 of the succeeding year from Camp Creek.

The total amount of water collected to storage under this license and license issued pursuant to Application 2270 shall not exceed 36,700 acre-feet per year.

The combined total amount of water to be taken from the sources (direct diversion plus collection to storage) under this license and license issued pursuant to Application 2270 shall not exceed 40,300 acre-feet per year. The combined total amount of water to be placed to beneficial use (direct diversion plus withdrawal from storage) under this license and license issued pursuant to Application 2270 shall not exceed 33,400 acre-feet per year.

The maximum rate of diversion from Camp Creek to offstream storage in Jenkinson Lake under this license and license issued pursuant to Application 2270 shall not exceed 500 cubic feet per second.

The equivalent of such continuous flow allowance for any 30-day period may be diverted in a shorter time, if there be no interference with other vested rights.

(0000027)

This license does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(0000005)

THE POINT OF DIVERSION AND DIVERSION TO OFFSTREAM STORAGE OF SUCH WATER IS LOCATED:

Camp Creek Diversion Dam - North 120 feet and East 7,420 feet from NE corner of Section 17, T10N, R13E, MDB&M, being within NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 15, T10N, R13E, MDB&M.

THE POINT OF DIVERSION AND REDIVERSION OF SUCH WATER IS LOCATED:

Sly Park Dam - South 3,375 feet and West 2,830 feet from NE corner of Section 17, T10N, R13E, MDB&M, being within NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Section 17.

THE POINT OF REDIVERSION OF SUCH WATER IS LOCATED:

Granlees Dam - By California Coordinates, Zone 2, North 303,970 and East 2,267,670, being within SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 35, T8N, R8E, MDB&M.

A DESCRIPTION OF THE LANDS OR THE PLACE WHERE SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

Recreational and fish and wildlife enhancement uses at Jenkinson Lake and irrigation of a net of 6,300 acres within a gross area of 200,600 acres, together with other listed uses within the service area of El Dorado Irrigation District (including Rancho Murieta), as shown on maps filed with State Water Resources Control Board.

This license is subject to the agreement dated April 6, 1979 between licensee and Omochumne-Hartnell Water District, to the extent such agreement covers matters within the Board's jurisdiction.

(0430300)

Licensee and El Dorado Irrigation District shall at all times bypass at Sly Park Dam a minimum of 1 cfs, or the natural flow of Sly Park Creek, whichever is less, and at all times bypass at Camp Creek Diversion Dam a minimum of 2 cfs or the natural flow, whichever is less, to maintain fish life.

Licensee, considering hydrologic conditions and water use requirements, shall estimate in April of each year the storage that will exist in Jenkinson Lake on the following September 30 and revise such estimate as often as hydrologic conditions and water use requirements warrant such revision. If such estimate or re-estimate exceeds 23,800 acre-feet, licensee shall so advise Department of Fish and Game.

If the estimated September 30 storage exceeds 23,800 acre-feet, licensee and El Dorado Irrigation District shall release to Sly Park Creek up to 5 cfs, including the 1 cfs provided for above, of such excess on a constant-flow pattern during the period May through October or during such portion of said period as remains after revisions of the licensee's estimate.

Licensee and El Dorado Irrigation District shall, if requested by Department of Fish and Game release said excess on a pattern other than a constant-flow pattern.

El Dorado Irrigation District will develop an irrigated 1-acre area for wildlife only on the northerly side of Jenkinson Lake. Details of implementation will be arranged between El Dorado Irrigation District and Department of Fish and Game.

(0350999)

Before making any change in the project determined by the State Water Resources Control Board to be substantial, licensee shall submit such change to the Board for its approval in compliance with Water Code Section 10504.5(A).

(0140400)

licensee, using existing measuring devices for the purpose, shall maintain daily records of diversions from Camp Creek to Jenkinson Lake and of changes in storage in Jenkinson Lake and releases into the North Fork Cosumnes River for delivery to Rancho Murieta, satisfactory to the State Water Resources Control Board, to allow a reasonably accurate determination of the amount of stored water released from Jenkinson Lake into the North Fork Cosumnes River for delivery to Ranch Murieta, as distinguished from the natural flow of the stream.

Measuring devices are installed at the point of redirection of stored water to Rancho Murieta from the Cosumnes River, and daily records shall be maintained of diversions at said point, which records shall be available to the State Water Resources Control Board and to Orochumne-Hartnell Water District. The location of the redirection shall be identified as the forebay of the Rancho Murieta pumping plants located between Granlees Dam and Cosumnes Irrigation Association ditch.

(0090400)

Provided that the public agencies concerned comply with any and all present and future valid contractual obligations with the United States, such public agencies, on behalf of their landowners and water users, shall, consistent with other terms of this license, have the permanent right to the use of all water appropriated and beneficially used under this license, which right, except where water is distributed to the general public by a private agency in charge of a public use, shall be appurtenant to the land to which said water shall be applied, subject to continued beneficial use and the right to change the place of use as authorized by law, and further subject to the right to dispose of a temporary surplus.

(0430300)

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APPLICATION 5645A
Page 4 of 4

PERMIT 12258

LICENSE 11836

Licensee shall allow representatives of the Board and other parties, as may be authorized from time to time by the Board, reasonable access to project works to determine compliance with the terms of this license.

The quantity of water diverted under this license is subject to modification by the State Water Resources Control Board if, after notice to the licensee and an opportunity for hearing, the Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

Pursuant to California Water Code Sections 100 and 275 and the public trust doctrine, all rights and privileges under this license, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Resources Control Board in accordance with law and in the interest of the public welfare to protect public trust uses, prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

This continuing authority of the Board may be exercised by imposing specific requirements over and above those contained in this license with a view to minimizing waste of water and to meeting the reasonable water requirements of licensee without unreasonable draft on the source. Licensee may be required to implement such programs as (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this license and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the board also may be exercised by imposing further limitations on the diversion and use of water by the licensee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the board determines, after notice to affected parties and opportunity for hearing, that such action takes into account the public interest and is necessary to protect public trust uses. All such actions shall conform to the standard of reasonableness contained in Article X, Section 2 of the California Constitution.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time to time by the Board.

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the Board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated: JANUARY 17 1986

STATE WATER RESOURCES CONTROL BOARD

Ray Johnson
Chief, Division of Water Rights

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EL DORADO – SMUD COOPERATION AGREEMENT

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EL DORADO – SMUD COOPERATION AGREEMENT

This El Dorado - SMUD Cooperation Agreement (“Agreement”) is made and entered into this ____ day of _____, 2005 (“Effective Date”) by and between the following parties:

- The County of El Dorado (the “County”), the El Dorado County Water Agency (“EDCWA”), Georgetown Divide Public Utility District (“GDPUD”), El Dorado Irrigation District (“EID”), and El Dorado Water and Power Authority (“EDWPA”), collectively, the “El Dorado Parties”; and
- Sacramento Municipal Utility District (“SMUD”),

individually “Party” and collectively the “Parties.”

RECITALS

A. The County of El Dorado (“County”) is a subdivision of the State of California whose jurisdiction is El Dorado County.

B. El Dorado Water and Power Authority (“EDWPA”) is a joint powers authority organized under the Joint Exercise of Powers Act (Gov. Code, § 6500 et seq.), comprising the County, EDCWA, EID, and GDPUD.

C. El Dorado County Water Agency (“EDCWA”) is a district created by Chapter 96 of the California Water Code Appendices. EDCWA’s jurisdictional area consists of all territory lying within the boundaries of El Dorado County. Public water purveyors within its jurisdictional area include EID, GDPUD, Grizzly Flats Community Services District, a portion of the Tahoe City Public Utility District, and the South Tahoe Public Utility District.

D. El Dorado Irrigation District (“EID”) is an irrigation district organized and existing under the Irrigation District Law, California Water Code Division 11.

E. Georgetown Divide Public Utility District (“GDPUD”) is a public utility district created under the Public Utility District Act in 1946.

F. Sacramento Municipal Utility District (“SMUD”) is a political subdivision of the State of California and a municipal utility district organized and existing under the provisions of the Municipal Utility District Act, California Public Utilities Code sections 11501, *et seq.*

G. SMUD is the owner, licensee, and operator of the Upper American River Project (“UARP”), the facilities of which are used to divert, store, and release water within the watersheds of the South Fork and the Middle Fork of the American River for the purpose of

generating and transmitting electric power to a 900-square-mile service area that includes the County of Sacramento and small portions of Placer and Yolo Counties.

H. The UARP is licensed by the Federal Energy Regulatory Commission (“FERC”) under the Federal Power Act as hydropower Project number 2101 and consists of eleven (11) reservoirs and eight (8) powerhouses (“UARP Facilities”), all of which are located within the boundaries of the County, and related facilities.

I. On July 11, 1957, the County and SMUD entered into the “Agreement Between County of El Dorado and Sacramento Municipal Utility District” (the “1957 Agreement”) in which, among other things, SMUD agreed to permit the County to make use of certain of the UARP Facilities for the provision of water for irrigation, domestic, municipal, and stockwatering purposes within El Dorado County, and the County agreed to withdraw its protests to SMUD’s then-pending applications for non-consumptive water rights for the UARP.

J. On December 7, 1961, the County, EDCWA, and SMUD entered into the “Supplemental Agreement Between County of El Dorado, El Dorado County Water Agency, and Sacramento Municipal Utility District” (the “1961 Agreement”) in order to supplement the 1957 Agreement.

K. Effective as of September 27, 1993, the County and EDCWA transferred and assigned their right, title, and interest in, and delegated their duties under, the 1957 Agreement and the 1961 Agreement, to EID, and by such assignment EID agreed to exercise the rights and entitlements, and otherwise act in furtherance of developing and using the benefits subject to the burdens, of the 1957 and 1961 Agreements for irrigation, domestic, municipal, and stockwatering purposes within El Dorado County.

L. The term of SMUD’s original FERC license for the operation of the UARP expires in 2007 (“Original License”). In 2001, utilizing FERC’s alternative licensing procedures, SMUD initiated the relicensing process (“Current Relicensing Process”) to obtain its first new license for the UARP from FERC (the “New License”). For purposes of this Agreement, the term “Original License” includes any annual licenses issued by FERC on expiration of the Original License, and the term “New License” means the new license issued to SMUD by FERC in the Current Relicensing Process and any annual license issued by FERC in the relicensing process next following the Current Relicensing Process. The term “Subsequent New License” means any new license issued to SMUD in any relicensing process after the Current Relicensing Process (“Subsequent Relicensing Process”) and any annual licenses issued by FERC after expiration of such Subsequent New License and before issuance of the next Subsequent New License.

M. The El Dorado Parties have been active participants in the Current Relicensing Process respecting any impacts that the UARP will have on facilities owned or services provided by, or any resource or other interest subject to the jurisdiction of, any of the El Dorado Parties during the term of the New License (the “Impacts”).

N. The El Dorado Parties desire to receive delivery of water from the UARP Facilities for beneficial uses within the boundaries of El Dorado County.

O. Issues have arisen between the El Dorado Parties and SMUD concerning (i) the Impacts, (ii) the Parties' respective rights and obligations under the 1957 Agreement and the 1961 Agreement, and (iii) other matters pertaining to the Current Relicensing Process.

P. Prior to the execution of this Agreement, SMUD filed applications with the SWRCB for administrative modifications to its existing non-consumptive water rights and for additional non-consumptive water rights which SMUD has determined are necessary to ensure that its water rights accommodate both SMUD's actual and historic operations. A summary of the applications is attached as Exhibit "B".

Q. Prior to execution of this Agreement, SMUD filed its Application for License for Major Modified Project with FERC on Friday, July 15, 2005.

R. The Western Slope of El Dorado County Water Supply, Demand and Need Projections, attached as Exhibit "A", demonstrates that water supplies presently available to meet the projected El Dorado County General Plan water demands, including those supplies available to EID and GDPUD as shown in Exhibit "C", are almost fully utilized and that if the El Dorado Parties take no action to obtain supplemental water, the water demands on the Western Slope of El Dorado County will soon exceed available supplies with the deficit increasing to as much as 30,000 afy in 2025.

S. Prior to and in anticipation of the execution of this Agreement by all Parties, the El Dorado Parties commenced good faith discussions with the City of Sacramento (the "City") for the acquisition of a water supply to be diverted under this Agreement. In furtherance of that end, this Agreement contains specific provisions respecting the El Dorado Parties' conduct of those negotiations and their efforts to secure the approval of such a supply by the Water Forum. An arrangement with the City as provided in this Agreement is the source of a water supply for the El Dorado Parties that all Parties recognize as the most logical alternative, and SMUD acknowledges its agreement to facilitate discussions between the Parties and the City to effectuate this alternative. One purpose of this Agreement is to provide terms and conditions for the delivery of such water in support of the El Dorado Parties' acquisition of this supply.

T. Prior to the execution of this Agreement, the governing board of each Party made findings and determined, pursuant to applicable law, including, but not limited to, the Guidelines for the California Environmental Quality Act ("CEQA"), 14 California Code of Regulations § 15061(b)(3), that the approval and execution of this Agreement is not approval of a "Project," as defined by CEQA, because, as to any future activity contemplated by this Agreement that has the possibility or potential for having a significant effect on the environment, (1) the approval and execution of this Agreement is not a decision that commits, and does not commit, any of the Parties to a definite course of action, (2) any such activity is speculative, not currently capable of precise definition, and may never occur, (3) because of the foregoing, it would not be possible to conduct an environmental review of any such activity or Project prior to the approval and execution of this Agreement that fulfills the requirements of CEQA to identify and mitigate

potential significant environmental effects and to identify possible alternatives to the Project or Projects, and (4) any such activity or Project will be the subject of further authorization from the governing boards of the relevant Parties, and such authorization will be preceded by an environmental review that complies with all of the requirements of CEQA.

U. A Notice of Exemption stating CEQA does not apply to the approval or execution of this Agreement was filed by each Party as required by law.

V. The Parties recognize and acknowledge all of the following:

(1) No commitment can be made to carry out any Project unless and until the environmental review and assessment required by CEQA has been completed;

(2) For the purposes of this Agreement, Projects that may require CEQA compliance include: 1) the acquisition of water rights for the storage and delivery of water to the El Dorado Parties; 2) modification of SMUD's operation of the UARP in order to deliver water to one or all of the El Dorado Parties; and 3) construction of any facilities necessary for delivery of water to any of the El Dorado Parties. In addition, if any Party exercises its right to re-open for good faith negotiations by the Parties on the issues and on the terms and conditions specified in Article XIII, the Parties recognize that compliance with CEQA may be required.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises, covenants, and conditions contained in this Agreement, the Parties agree as follows:

ARTICLE I EFFECTIVE DATE; TERM OF AGREEMENT; DEFINED TERMS

1.1 Effective Date. This Agreement will become effective as of the Effective Date upon its execution by all Parties.

1.2 Term. Unless terminated earlier pursuant to Section 14.1, this Agreement will continue in effect for the terms of the Original License, the New License issued to SMUD in the Current Relicensing Process, and all Subsequent New Licenses issued to SMUD in any Subsequent Relicensing Process ("Term").

1.3 Defined Terms. Exhibit "D" contains a list of defined terms and their meanings for purposes of this Agreement, which terms are indicated by capitalization.

ARTICLE II PURPOSE OF AGREEMENT

2.1 Statement of Intent. Except as otherwise specifically provided in this Agreement, the Parties intend by this Agreement to resolve and conclude for the Term of this Agreement all issues between the El Dorado Parties, or any of them, and SMUD relating to (i) the Current Relicensing Process, (ii) the New License issued to SMUD in the Current

Relicensing Process, (iii) all Subsequent New Licenses issued to SMUD in any Subsequent Relicensing Process, (iv) the 1957 Agreement and the 1961 Agreement, and (v) the delivery of water from, and the storage of water in, the UARP for the benefit of any or all of the El Dorado Parties. Without limiting the generality of the foregoing sentence, the installment and annual payments SMUD is to make pursuant to Article IV fully cover and compensate the County and any agency of the County for all of the following that may be occasioned by the relicensing and issuance of the New License to SMUD and any Subsequent New License to the extent the terms and conditions of the Subsequent New License are essentially the same as those of the New License: Any injury to, and any measures that may be necessary or desirable for the protection, mitigation, or enhancement of, any facility owned or operated by, or any resource or other interest within the jurisdiction, authority, or responsibility of, the County and any agency of the County.

2.2 Effect on 1957 Agreement and 1961 Agreement. For the Term of this Agreement, this Agreement contains the exclusive and complete statement of the Parties' respective rights and obligations concerning the matters specified in Section 2.1 and in the 1957 Agreement and the 1961 Agreement and will control such matters to the exclusion of the 1957 and 1961 Agreements. However, should this Agreement terminate or the provisions of Articles V through VIII terminate, each Party will retain its respective rights and obligations as set forth in the 1957 Agreement and the 1961 Agreement, whatever they may be, as if this Agreement had not been in effect and no Party will rely on this Agreement in any way for purposes of interpreting or supplementing the 1957 Agreement or the 1961 Agreement.

2.3 Headwater Benefits. This Agreement does not affect any right EID may have respecting headwater benefits under section 10(f) of the Federal Power Act.

ARTICLE III CURRENT UARP RELICENSING PROCESS

3.1 FERC Notification of Agreement. Within ten (10) days after the Effective Date, SMUD will inform the FERC of the execution of this Agreement, and file a copy of the Agreement therewith.

3.2 Support of Relicensing.

3.2.1 Current Relicensing Process; Other Government Agencies. Within forty-five (45) days after the Effective Date, each El Dorado Party that participated in any aspect of SMUD's Current Relicensing Process, including the Alternative Licensing Process and the Settlement Negotiation Group, either through its own representative or through a third party representative, will by letter advise FERC, the third-party facilitator used to conduct relicensing meetings, and SMUD that such party supports issuance of the New License to SMUD for the UARP under terms and conditions contained in SMUD's July 15, 2005 application and request that such notice be distributed to all participants in the Current Relicensing Process and any other federal agency and California state or local agency involved in, or with jurisdiction over, any aspect of the Current Relicensing Process.

3.2.2 Intervention in Current Relicensing Process. Within the period specified by FERC for interventions in the Current Relicensing Process, each El Dorado Party will file a motion with FERC seeking to intervene as a party. Such motion will (i) state that, because of the provisions of this Agreement, the El Dorado Party supports issuance of the New License to SMUD for the UARP under terms and conditions contained in SMUD's July 15, 2005 application, and (ii) reserve the right to raise issues that are resolved by this Agreement if (a) litigation is initiated challenging this Agreement on grounds which, if sustained, cannot be cured by the Parties, and (b) such litigation is not finally resolved by the latest time that the El Dorado Parties properly may raise such issues for consideration by FERC in the Current Relicensing Process. This Agreement will terminate automatically upon the exercise of such right by the El Dorado Party, and the County will refund all payments made to it by SMUD with interest at the rate specified in Section 9.1 within thirty (30) days after such El Dorado Party raises any contested issue resolved by this Agreement before FERC.

3.3 Cooperation with SMUD.

3.3.1 Coordination of Communications. The County will exercise its good faith and best efforts to coordinate communications originating from public agencies and non-governmental organizations within El Dorado County regarding the Current Relicensing Process to the end that any such communications are supportive of the objective of this Agreement.

3.3.2 PM&E Measures. If any California State agency, public agency, or nongovernmental organization within El Dorado County should seek PM&E Measures respecting Impacts of the UARP within El Dorado County more stringent than those specified in SMUD's July 15, 2005 application for a New License, on request of SMUD, the County will file, or provide to SMUD for filing, a statement with FERC to the effect that in view of the provisions of this Agreement, the County supports those measures in SMUD's application as filed or as SMUD may have reasonably modified or proposed to modify a previous measure for the purpose of further lessening impacts of the UARP.

3.3.3 Duplication of Compensation. The El Dorado Parties will cooperate with SMUD and provide to SMUD for filing with FERC or other federal, state, or local government agencies such documents as SMUD may reasonably require to the end that SMUD will not become obligated through the Current Relicensing Process or any Subsequent Relicensing Process to provide compensation for any of those matters specified in Section 4.4 that duplicates or is for the same purpose as payments to be made by SMUD under Article IV.

3.4 Iowa Hill Development.

3.4.1 Publication of Material Dates. Within ten (10) days after the Effective Date, SMUD will provide the El Dorado Parties with a description of the process and, to the extent known, a list of the material dates for FERC's consideration of and decision on SMUD's application to include the Iowa Hill Development in the New License and for any necessary decisions by other public agencies in that connection. The Parties will cooperate in the joint publication of the material dates in a manner reasonably calculated to obtain broad public awareness of the approval process and opportunities for public input. The El Dorado Parties

acknowledge FERC establishes the schedule regarding its procedural deadlines and events relevant to the Current Relicensing Process and that the material dates provided by SMUD are target dates subject to change.

3.4.2 Iowa Hill Joint Advisory Committee. On request of SMUD or the El Dorado Parties but no later than 30 days after SMUD's issuance of its Notice of Intention to Proceed (as defined in Section 4.3.1, below) with the Iowa Hill Development, the County and SMUD will form a Joint Advisory Committee to receive public input and to develop reasonable and feasible measures to substantially mitigate the impacts of activities related to the construction of the Iowa Hill Development on the surrounding communities and existing infrastructure.

3.4.2.1 The Joint Advisory Committee will be headed by co-chairs, one appointed by SMUD and one by the County.

3.4.2.2 The co-chairs will establish reasonable ground rules and meeting schedules.

3.4.2.3 The Joint Advisory Committee will meet as frequently as necessary for the duration of the construction of the Iowa Hill Development.

ARTICLE IV PAYMENTS BY SMUD

4.1 SMUD Initial Payment. SMUD will pay to the County the sum of \$2,600,000 in two separate installments: (i) \$1,000,000 within ten (10) days after the Effective Date of this Agreement; and (ii) \$1,600,000 within ten (10) days after the New License becomes final and non-appealable but no later than August 1, 2012.

4.2 SMUD Annual Payments. SMUD will pay to the County, for the Term of this Agreement, an annual amount of \$590,000 in accordance with this Section 4.2. The first payment under this Section 4.2 will be due and payable on the later of thirty (30) days after the date on which the New License issued by FERC becomes final and is no longer subject to judicial review or July 1 of such year. Payments for all subsequent years will be due and payable on each July 1.

4.3 Iowa Hill Development. Should SMUD determine to construct the Iowa Hill Development, it will make payments to the County as described in this Section 4.3.

4.3.1 Payment Upon Notice of Intention to Proceed. Within ten (10) days after SMUD's Board of Directors authorizes initiation of final design of the Iowa Hill Development, SMUD will give the County a "Notice of Intention to Proceed" and will pay to the County a one-time payment of \$250,000.

4.3.2 Iowa Hill Annual Payments Upon Notice of Commencement of Construction. Within ten (10) days after awarding the first construction contract for the actual construction of the Iowa Hill Development, SMUD will give the County a "Notice of

Commencement of Construction” and will make an initial Iowa Hill Annual Payment to the County in the amount of \$50,000. SMUD will make additional Iowa Hill Annual Payments of \$50,000 by July 1st of each subsequent calendar year for the Term of this Agreement.

4.3.3 Iowa Hill Socioeconomic Impacts Payments

4.3.3.1 Assessment Panel. Within ninety (90) days of the completion of construction for the Iowa Hill Development, SMUD and the County will form the Iowa Hill Socioeconomic Impacts Assessment Panel (“Panel”) to conduct the socioeconomic assessments described in Section 4.3.3.2. SMUD and the County will each nominate a representative to serve on the Panel, and the two representatives will select a third Panel member. Each panelist will have the requisite experience and qualifications to competently study, measure, and place a monetary value on socioeconomic impacts of construction projects. SMUD and the El Dorado Parties will each bear the cost of their selected panelist. SMUD and the El Dorado Parties collectively will share equally all charges and expenses of the neutral panelist.

4.3.3.2 Socioeconomic Impact Assessment. The Panel will conduct a two-phased assessment of negative socioeconomic impacts attributable to the construction of the Iowa Hill Development following the analytical methodology specified in Exhibit “I” attached hereto and make Iowa Hill Measured Impacts Payments accordingly.

4.4 Use of Payment Funds. SMUD’s payments as described in Section 4.1 are to be utilized by the County for capital improvements to Ice House Road and other miscellaneous capital projects related to the UARP and its impacts on facilities owned or services provided by, or any resource or other interest within the jurisdiction of, the County. SMUD’s payments as described in Section 4.2 are to be utilized by the County for purposes of road maintenance, watershed management, and other miscellaneous activities related to the UARP and its impacts on facilities owned or services provided by, or any resource or other interest within the jurisdiction of, the County. SMUD’s payments as described in Section 4.3 are to be utilized by the County in order to minimize, avoid, or mitigate socioeconomic impacts attributable to the construction of the Iowa Hill Development within those areas of the County affected by such construction. The determination of which specific uses of payments by SMUD under this Article IV are consistent with the limitations of this Section are to be made by the County in its sole discretion.

4.5 Adjustment of Payments. The amount of the installment payments specified in Section 4.1, the annual payments specified in Section 4.2, and the Iowa Hill Annual Payments specified in Section 4.3.2 will be adjusted annually by the All Urban Consumer’s Price Index, All Items (Base Period 1982-84 = 100). The inflation adjustment for the installment payments specified in Section 4.1 will commence September 1, 2004 and will continue annually for the Term of this Agreement. Such adjustment for the annual payments, as specified in Sections 4.2 and 4.3.2, respectively, will commence upon the Effective Date and continue for the Term of this Agreement. Should said index either cease to exist or be modified so that it no longer performs its prior function, the Parties will meet and confer in order to determine a replacement index that most closely approximates said index.

**ARTICLE V
WATER DELIVERIES BY SMUD**

5.1 Delivery and Storage Obligation. SMUD will deliver El Dorado Water to, and store El Dorado Water for, the El Dorado Parties as provided in this Article V.

5.1.1 Annual Deliveries. Each year SMUD will make Annual Deliveries of El Dorado Water to the El Dorado Parties in an amount which, together with Deliveries to Carryover Storage during such year, does not exceed 30,000 acre-feet through 2025 and thereafter 40,000 acre-feet for the remaining Term of this Agreement. Annual Deliveries of water will be made in accordance with the provisions of Exhibit “H” and will be made by direct delivery and from seasonal storage in accordance with applicable law.

5.1.2 Deliveries from Carryover Storage. In any year in which the El Dorado Parties are restricted from receiving Annual Deliveries to the full extent permitted under this Agreement due to drought or an El Dorado Parties Emergency Condition, SMUD will deliver El Dorado Water from Carryover Storage to the El Dorado Parties in an amount which does not exceed the least of (i) the then-existing amount of Carryover Storage, (ii) 15,000 acre-feet, or (iii) that quantity which when added to Annual Deliveries during that year does not exceed 35,000 acre-feet through 2025 and thereafter 40,000 acre-feet for the remaining Term of this Agreement.

5.1.3 Deliveries to Carryover Storage. At any time when the Daily Net Storage is above 150,000 acre-feet, SMUD will make deliveries of El Dorado Water to Carryover Storage in reservoirs determined by SMUD in an amount up to the lesser of (i) the quantity which when added to the total quantity of water then in Carryover Storage does not exceed 15,000 acre-feet, or (ii) the quantity which when added to Annual Deliveries during that year does not exceed 30,000 acre-feet through 2025 and thereafter 40,000 acre-feet for the remaining Term of this Agreement. To be eligible for Carryover Storage, El Dorado Water must physically flow into one of the Loon Lake, Union Valley, and Ice House Reservoirs. Deliveries to Carryover Storage in any year will be made by a delivery of El Dorado Water to storage from the source or during the last quarter of any year by a conversion to Carryover Storage of El Dorado Water previously placed in Seasonal Storage during the same year.

5.2 Notice for Initiation of Deliveries and Storage; Construction of Interconnections.

5.2.1 Delivery Initiation Notice. The El Dorado Parties will give SMUD at least six (6) months advance notice of their intent to initiate delivery and storage of El Dorado Water under this Agreement (“Delivery Initiation Notice”), such notice to include the following: (i) a detailed specification of all water rights pursuant to which El Dorado Water will be diverted, stored, and delivered, (ii) the sources of all El Dorado Water to be diverted into the UARP for delivery to the El Dorado Parties or storage and by source the annual quantity to be diverted, the maximum rate of diversion, and the point of diversion, (iii) the date on which diversions into the UARP are to begin, and (iv) the date on which deliveries to the El Dorado Parties are to begin. In addition, at least ninety (90) days prior to the initiation of deliveries, the El Dorado Parties will provide SMUD with an annual forecast meeting the requirements of

Section 5.3 for the remainder of the year in which deliveries are to begin and, if the notice is given on or after September 1, for the following year.

5.2.2 Interconnection with White Rock Penstock.

5.2.2.1 White Rock Delivery Notice. Concurrently with or after giving the Delivery Initiation Notice specified in Section 5.2.1, the El Dorado Parties will also give SMUD notice of their intent to take delivery of El Dorado Water at the White Rock Delivery Point (“White Rock Delivery Notice”) at least six (6) months prior to beginning siting and engineering for the pipeline and other facilities necessary to interconnect with the White Rock Penstock.

5.2.2.2 Interconnection Construction Agreement. Promptly after delivery of the White Rock Delivery Notice, the Parties will begin and diligently pursue good faith negotiations over an agreement addressing the interconnection of the pipeline facilities of the El Dorado Parties to SMUD’s existing takeout on the White Rock Penstock, the agreement to cover timing, construction, and equipment necessary for such purpose. Such agreement will be based on, and incorporate, the following principles: (1) SMUD will design, construct, own, maintain and control that portion of the interconnection extending from the existing White Rock Penstock tap to a point immediately downstream of a shutoff valve to enable SMUD to shutoff the flow of water in an emergency or otherwise as may be necessary to protect the White Rock Penstock and other SMUD facilities; (2) The El Dorado Parties will design, construct, own, maintain and control interconnection facilities downstream of the SMUD shutoff valve, which facilities will include a valve to control the rate of flow into the El Dorado Parties’ system and to shut off such flow in an emergency or otherwise as may be necessary to protect the El Dorado Parties’ system; (3) SMUD will have design approval of the interconnection facilities to be constructed by the El Dorado Parties for purposes of determining, in its reasonable discretion, that such facilities do not adversely affect the safety, operation, or maintenance of the White Rock Penstock as it then exists; and (4) SMUD and the El Dorado Parties will, collectively, each bear its own costs associated with the construction of its respective portion of the interconnection facilities.

5.2.2.3 Point of Delivery. All El Dorado Water delivered by SMUD through the White Rock Penstock will be deemed delivered at the interconnection shutoff valve controlled by the El Dorado Parties as described in Section 5.2.2.2.

5.2.2.4 FERC Approval of Interconnection Facilities. SMUD will make all necessary applications to FERC to obtain FERC approval to use the UARP facilities to withdraw and store water for consumptive use in a manner consistent with this Agreement. The El Dorado Parties will bear the cost of the applications, including costs associated with conducting all environmental and other studies FERC may request and will provide to SMUD for filing with FERC such additional information as FERC may require in connection with such applications.

5.3 Annual Delivery Forecasts. The El Dorado Parties will by notice provide SMUD with an annual forecast (“Annual Forecast”) of their estimated delivery requirements for

each calendar year no later than September 1 of the prior year. Each forecast will specify, by month, (i) the quantity, rate of delivery, and point of delivery for Annual Deliveries, (ii) the quantity of water to be delivered to Carryover Storage, and (iii) the quantity, rate of delivery, and point of delivery for deliveries from Carryover Storage to the extent known. The El Dorado Parties may periodically revise such forecasts by notice to SMUD given at least thirty (30) days prior to the beginning of the month in which the forecast is to take effect.

5.4 Delivery Scheduling.

5.4.1 Annual Deliveries; Deliveries from Carryover Storage. The El Dorado Parties will schedule all Annual Deliveries and Deliveries from Carryover Storage by delivery point on a daily basis in accordance with the then-effective Annual Forecast, the scheduling requirements set forth in Exhibit “E,” the delivery constraints set forth in Exhibit “H”, and other applicable provisions of this Agreement. Subject to the provisions of Exhibit “H”, SMUD will operate the UARP so as to deliver the total quantity so scheduled to the extent physically and legally possible. The El Dorado Parties will be under no obligation to schedule deliveries in any year or at all.

5.4.2 Deliveries to Carryover Storage. The El Dorado Parties will schedule all deliveries to Carryover Storage in accordance with the then-effective Annual Forecast on a monthly basis by notice to SMUD at least fifteen (15) days prior to the first month in which such deliveries are to occur.

5.4.3 Scheduling Communications. Promptly after the El Dorado Parties have given their Delivery Initiation Notice, the Parties will begin and diligently pursue good faith negotiations over an data interchange agreement (“DI Agreement”) that will provide for all necessary operational procedures, data transfer, and communications protocols between the El Dorado Parties and SMUD pertaining to delivery scheduling, emergency conditions, conditions requiring constraints on or curtailments of deliveries, delivery monitoring, the giving of notices by electronic means, and other pertinent subjects.

5.5 Delivery Points. Annual Deliveries and deliveries from Carryover Storage will be made at the White Rock Delivery Point as further specified in Section 5.2.2.3 or the SFAR Delivery Point.

5.6 Storage Constraints.

5.6.1 Carryover Storage Losses. El Dorado Water in Carryover Storage or Seasonal Storage is not subject to spill or other loss, except as specifically provided herein. In the event that SMUD sustains a significant loss of storage in any of Loon Lake, Union Valley, or Ice House Reservoirs by reason of (i) a condition (other than that caused by a dry water year type) or event (by way of example only, an earthquake) beyond SMUD’s control, or (ii) an order of FERC or any other governmental entity or court that requires SMUD to operate the UARP for needs other than the direct needs of SMUD (by way of example only, a state or regional energy crisis), then the El Dorado Parties will sustain a loss in total Carryover Storage proportionate to the loss in total storage sustained by SMUD.

5.6.2 Status of Reservoirs. SMUD will provide written notice to the El Dorado Parties on the first of each month the status of its reservoirs within the UARP, including, without limitation, information on Full Capacity, Daily Net Storage, as well as projected Daily Net Storage.

5.7 Rate of Deliveries at White Rock Delivery Point. Annual Deliveries and deliveries from Carryover Storage at the White Rock Delivery Point cannot exceed a delivery rate of 100 cfs, provided that during the period of May 1 through October 31 of any year, the El Dorado Parties may schedule deliveries at a rate of up to 200 cfs during the hours from Midnight to 6:00 a.m.

5.8 Constraints on Delivery.

5.8.1 Constraints Based on Daily Net Storage, Climatic Conditions. Constraints on deliveries to the El Dorado Parties that are based on Daily Net Storage or the existence of a Critically Dry Condition are specified in Exhibit H.

5.8.2 Curtailments for Super-Peaking Hours, Outages, Slab Creek Minimum Operating Level. The El Dorado Parties will not be entitled to receive any deliveries at the White Rock Delivery Point when any one or more of the following conditions exist:

- (i) From May 1 through September 30 of any year from 2:00 p.m. to 7:00 p.m. (referred to as “Super-Peaking Hours”);
- (ii) During planned, unplanned, or emergency outages in the UARP that impact SMUD’s ability to make water available to the White Rock Delivery Point; and
- (iii) Whenever the elevation of Slab Creek Reservoir drops below 5 feet above SMUD’s Slab Creek Reservoir Minimum Operating Level, which level as of the Effective Date is 1,815 feet.

5.8.2.1 Changes in Slab Creek Minimum Operating Level. The El Dorado Parties acknowledge that SMUD may adjust the Slab Creek Reservoir Minimum Operating Level from time to time to reflect changes in the operating characteristics of that reservoir. SMUD agrees, however, that a proposed adjustment to the Slab Creek Reservoir Minimum Operating Level associated with SMUD’s election to proceed with the Iowa Hill Development will be initially addressed in accordance with Section 13.6. Subsequent adjustments remain subject to the provisions of this Section 5.8.2. SMUD will promptly notify the El Dorado Parties of any adjustment in the Slab Creek Reservoir Minimum Operating Level.

5.8.3 SMUD Emergency Condition. During a SMUD Emergency Condition, SMUD will be excused from making Annual Deliveries and from delivering El Dorado Water from Carryover Storage to the El Dorado Parties for the period and to the extent such deliveries are precluded by the emergency condition.

5.8.4 Notices of Existence of Conditions Constraining Deliveries. SMUD will give notice to the El Dorado Parties of the existence of the conditions that will constrain deliveries to the El Dorado Parties as follows, such notice to be given by telecopier or other electronic means and to include information as to the reason for the outage, the expected duration of the outage, and the expected impact on deliveries:

- (i) For a planned outage as specified in Section 5.8.2(ii), as soon as practicable after SMUD has placed the outage in its operating schedule;
- (ii) For an unplanned or emergency outage as specified in Section 5.8.2(ii), promptly upon learning of the outage or determining that the outage will occur;
- (iii) For curtailments pursuant to Section 5.8.2(iii) because the Slab Creek Reservoir elevation is below 5 feet above SMUD's Slab Creek Reservoir Minimum Operating Level, as soon as practicable after SMUD determines that the reservoir elevation will be or is below such operating level;
- (iv) For a SMUD Emergency Condition, as soon as practicable after the condition has been declared;
- (v) For delivery constraints pursuant to Exhibit "H" attributable to Daily Net Storage, no notice will be required unless the pertinent reservoir conditions are different than those specified in SMUD's applicable status of reservoirs notice given under Section 5.6.2, in which case notice will be given as soon as practicable after SMUD determines that the Daily Net Storage will be or is at a level that triggers such delivery constraints.

5.9 Compliance with FERC License. Nothing in this Agreement will be construed to require SMUD to deliver El Dorado Water to, or store El Dorado Water for, the El Dorado Parties in a manner that violates or that SMUD reasonably determines may violate the FERC license then in effect for the UARP. Whenever SMUD believes that the delivery of water to the El Dorado Parties may violate the FERC license, SMUD will provide advance written notice identifying the time it intends to suspend delivery and the reasons for the suspension unless it is impracticable to do so under the circumstances. Following SMUD's suspension of water deliveries to the El Dorado Parties because of an actual or threatened violation of the FERC license, SMUD will meet with the El Dorado Designated Representative to determine what measures must be implemented to resume scheduled deliveries as soon as possible and propose a timeline for correcting the violation and resuming scheduled deliveries if physically possible. SMUD will use its best efforts during the course of such meetings to determine measures that will allow the El Dorado Parties to receive scheduled deliveries if physically possible. SMUD will use its best efforts during the course of any relicensing process to the end that a New License or Subsequent New License contain provisions that would not require SMUD to take an action that is inconsistent with its obligations under this Agreement.

ARTICLE VI
ACQUISITION OF RIGHTS TO EL DORADO WATER; SMUD WATER RIGHTS

6.1 Acquisition of Rights to El Dorado Water. The El Dorado Parties will secure, as more specifically provided in Exhibit “G”, all necessary water rights and authorizations for the delivery, storage, and use of American River water for purposes of this Agreement (“El Dorado Water”) through either:

- (a) first, a transfer and/or assignment of water right permits from the City of Sacramento and an amendment of such permits by the SWRCB or, if the El Dorado Parties are unable to secure such a transfer or assignment
- (b) any or all of (i) a new appropriation of American River water under applicable law, (ii) the partial assignment of state-filed applications nos. 5644, 5645, 7937, 7939, 18063, 18065, 18067, 18069, 18071, and 18072, and (iii) a transfer or assignment from a third party in accordance with applicable law.

Such authorizations for El Dorado Water together will not exceed the amounts to which the El Dorado Parties are entitled to receive delivery as Annual Deliveries and deliveries to Carryover Storage under this Agreement and will otherwise be consistent with this Agreement.

6.2 Facilitation, Notice Regarding City Negotiations. Given the statements contained in Recital S respecting an agreement between the El Dorado Parties and the City for the acquisition of water that may be diverted under this Agreement, the El Dorado Parties will provide SMUD with a written statement of the progress of their effort to engage in good faith negotiations with the City within twenty (20) days after the Effective Date. In addition, on the written request of the El Dorado Parties or the City, SMUD will exercise reasonable efforts to assist the negotiations and discussions between and among El Dorado Parties, the City, and the Water Forum. However, if the El Dorado Parties are not successful in obtaining a transfer and/or assignment of the City’s water rights as specified in Section 6.1(a) and Exhibit “G”, the El Dorado Parties will give SMUD written notice of the same, containing a summary of the reasons for terminating the negotiations, at least fifteen (15) days prior to pursuing an alternative source of water under Section 6.1(b) and Exhibit “G”.

6.3 Water Forum. The El Dorado Parties will enter into good faith negotiations with the Water Forum in order to obtain its support by means of a purveyor specific agreement of the El Dorado Parties’ acquisition of water rights and authorizations respecting El Dorado Water pursuant to Section 6.1 and the delivery and storage of such water pursuant to this Agreement. The El Dorado Parties will engage in diligent negotiations through December 31, 2006, after which the El Dorado Parties will be deemed to have satisfied their obligation with regard to the Water Forum, without regard to the source of water supply selected for acquisition and use by the El Dorado Parties or method of procurement. The El Dorado Parties will have sole and complete discretion as to whether the form and conditions of Water Forum support and/or the terms of a purveyor specific agreement are satisfactory to proceed with the consummation of a purveyor specific agreement. If the El Dorado Parties are unable to obtain the support of the Water Forum in a manner acceptable to the El Dorado Parties as to any source of water within the period specified above, the El Dorado Parties will promptly give SMUD notice to that effect,

such notice to specify with particularity the terms and conditions insisted on by the Water Forum that are unacceptable to the El Dorado Parties and the reasons they are unacceptable.

6.4 Section 8 of 1961 Agreement. The Parties agree that their rights and obligations under this Agreement will be subject to the following:

The El Dorado Parties agree that they will not protest any petition or application SMUD may file with the SWRCB for changes in points of diversion, changes in places of use for generation of hydroelectric energy, or for additional water rights for SMUD's UARP as now constituted or as it may be enlarged or modified in the future, provided that all of SMUD's water rights hereinbefore or hereafter acquired for said UARP will remain subject to Conditions 8 in Permits 10703, 10704, and 10705, which conditions reads as follows: "No diversion or use of water will be made under the permits which will in any way interfere with diversion or use of water for irrigation or domestic purposes, whether such higher uses are made under either prior or subsequent rights." The El Dorado Parties agree that they will not object to any requests which SMUD may file with the FERC for changes in the capacities or location of the UARP Facilities or the inclusion of additional facilities as a part of said project subject to Condition 8.

So long as the El Dorado Parties' priority referenced above is acknowledged and respected, the El Dorado Parties will not contest any adjustments in SMUD's existing water rights or application for new non-consumptive water rights deemed necessary by SMUD to ensure that SMUD's water rights accommodate SMUD's actual, historic operations, and to accommodate the Iowa Hill Development. SMUD has included the above-listed condition in its application for new water rights referenced in Exhibit "B" and will include such condition in any additional application for new water rights to be used in connection with the UARP or Iowa Hill Development.

6.5 Reservation of Rights. Nothing in this Agreement limits or affects the El Dorado Parties' rights to secure water rights for storage or use in facilities other than the UARP. Subject to the provisions of Section 6.4, the Parties expressly reserve their rights, whatever they may be, in relation to any proposed appropriation, diversion, or storage of water by any Party at locations, in amounts, and from sources other than as specified in this Agreement.

ARTICLE VII METERING; ACCOUNTING; AUDIT

7.1 Metering. The El Dorado Parties will provide for metering of all water delivered to the El Dorado Parties at the White Rock Delivery Point as provided in this Section 7.1 ("White Rock Meter(s)").

7.1.1 Installation. Prior to initiating diversions from the White Rock Delivery Point, the El Dorado Parties will install a White Rock Meter(s) which will measure the quantity of water delivered by SMUD to the El Dorado Parties at the White Rock Delivery Point. The White Rock Meter(s) will comply with all requirements of applicable laws and prudent industry practices, be capable of measuring rate of flow and quantity of water delivered, and be capable of being electronically polled by SMUD for both real-time and after-the-fact data.

7.1.2 Calibration and Maintenance. The El Dorado Parties will calibrate and adjust the White Rock Meter(s) prior to initiation of deliveries and thereafter on a regular basis in accordance with all requirements of applicable laws and prudent industry practices, and in any event, as soon as practicable after receipt of information, from SMUD or otherwise, that indicates that the device(s) may be inaccurate. The El Dorado Parties will operate, maintain, repair, and replace the White Rock Meter(s) as may be required by all provisions of applicable law and prudent industry practices. The El Dorado Parties will give SMUD reasonable advance notice of any testing or calibration of the White Rock Meter(s) and the opportunity to be present at such testing or calibration.

7.1.3 Recording, Reporting. The El Dorado Parties will provide for daily recordation of such deliveries, with summaries of the resulting readings to be transmitted monthly to SMUD in accordance with Section 7.3.

7.2 Deliveries at SFAR Delivery Point. Deliveries at the SFAR Delivery Point will not be metered or otherwise measured, but will be deemed to have been delivered pursuant to the then-effective schedule of the El Dorado Parties.

7.3 Accounting, Reporting and Audit Rights. Within twenty (20) days after the end of each month, the El Dorado Parties will provide SMUD a written report stating for such month all reasonably necessary information to determine the payments due to SMUD under Article VIII hereof, including, without limitation, (a) the daily quantity of all water delivered to the El Dorado Parties, separately identifying the quantities delivered as part of Annual Deliveries and the quantities delivered from Carryover Storage, and (b) the delivery point for such deliveries. SMUD will have the right, during the twelve month period following the end of each year and upon advance notice of not less than ten (10) days, to conduct an examination and audit of the books, records, and other supporting data of the El Dorado Parties for such year to the extent reasonably necessary to verify the payments due to SMUD hereunder. The El Dorado Parties will cooperate in the scheduling of such audit and will cooperate in the sharing of necessary information.

ARTICLE VIII PAYMENTS BY EL DORADO PARTIES

8.1 SMUD Compensation.

8.1.1 Pricing for Water Delivered at White Rock Delivery Point.

8.1.1.1 All Deliveries. For water delivered to the El Dorado Parties at the White Rock Delivery Point, the El Dorado Parties will pay to SMUD the sum of the Annual Value of Foregone Power plus the Annual Surcharge for deliveries from Seasonal Storage plus the Annual Surcharge for deliveries from Carryover Storage, determined as provided in Exhibit “F”.

8.1.1.2 Excess Deliveries at White Rock Delivery Point. If on any day the El Dorado Parties take water from the White Rock Delivery Point in a total quantity that exceeds the maximum quantity that would be have been deliverable under the rate-of-delivery limitations specified in Section 5.7 by more than 5%, the El Dorado Parties will make an additional payment to SMUD in an amount equal to 2 times the value of foregone power on a daily basis calculated using the following formula:

$$2 \times \{ [105\%] [\text{Daily Power Price Index}] [\text{White Rock Power House Water Duty}] [(\text{quantity of water delivered at the White Rock Delivery Point}) - (\text{maximum quantity of water deliverable under Section 5.7 limitations})] \}$$

If in any month the El Dorado Parties take water from the White Rock Delivery Point in a total quantity that exceeds the total quantity specified for such month in the then-effective Annual Forecast by more than 10%, the El Dorado Parties will make an additional payment to SMUD in an amount equal to 2 times the value of foregone power on a monthly basis calculated using the following formula:

$$2 \times \{ [105\%] [\text{Daily Power Price Index}] [\text{White Rock Power House Water Duty}] [(\text{Quantity of water delivered at the White Rock Delivery Point} - \text{Quantity of water specified in then-effective Annual Forecast})] \}$$

8.1.2 Pricing for Water Delivered at SFAR Delivery Point. For water delivered to the El Dorado Parties at the SFAR Delivery Point, the El Dorado Parties will pay to SMUD the sum of the Annual Surcharge for deliveries from Seasonal Storage plus the Annual Surcharge for deliveries from Carryover Storage in proportion to the deliveries made, as provided in Exhibit “F”.

8.1.3 Pricing Components.

(a) **Annual Value of Foregone Power.** The Annual Value of Foregone Power will be a function of the Daily Power Price Index, the White Rock Powerhouse Water Duty, the daily quantities of all deliveries to the El Dorado Parties at the White Rock Delivery Point (whether Annual Deliveries or deliveries from Carryover Storage) expressed in acre-feet, and a factor to cover ISO fees calculated using the formula and values specified in Exhibit “F”. Without limiting the foregoing, SMUD acknowledges and agrees that any foregone compensation for lost peaking capacity is not recoverable under this Agreement.

(b) **Annual Surcharge for Deliveries from Seasonal Storage.** For all water delivered to the El Dorado Parties at the White Rock Delivery Point or the SFAR

Delivery Point during the last quarter of each calendar year, a surcharge will be assessed to cover SMUD's costs of providing Seasonal Storage to the El Dorado Parties. This surcharge will be a function of the Daily Power Price Index, the respective Cumulative Powerhouse Water Duty, the daily quantities of water delivered at such delivery points expressed in acre-feet during such calendar quarter, and a factor to cover ISO fees, calculated using the formula and values specified in Exhibit "F".

(c) **Annual Surcharge for Deliveries from Carryover Storage.** For all water delivered to the El Dorado Parties from Carryover Storage at the White Rock Delivery Point or the SFAR Delivery Point, a surcharge will be assessed to cover SMUD's costs of providing Carryover Storage to the El Dorado Parties. This surcharge will be a function of the Daily Power Index, the respective Cumulative Powerhouse Water Duty, the daily quantities of water delivered at the White Rock Delivery Point and the SFAR Delivery Point expressed in acre-feet, and a factor to cover ISO fees, calculated using the formula and values specified in Exhibit "F".

8.2 Payment to SMUD.

8.2.1 In General. The annual payments due to SMUD under Section 8.1 will be in arrears and payable in the year immediately following the year in which the deliveries are made ("Payment Year") as provided in this Section 8.2.

8.2.2 Invoice by SMUD. By January 31 of each Payment Year, SMUD will determine the amount due from the El Dorado Parties under Section 8.1 for all deliveries of El Dorado Water during the previous year and by notice invoice the El Dorado Parties for payment of such amount ("Delivery Invoice"). The invoice will include sufficient information regarding the amounts delivered, source of water delivered, point of delivery, time of delivery, and the factors specified on Exhibit "F" to enable the El Dorado Parties to verify the amount due.

8.2.3 Payment by El Dorado Parties. By February 28 of the Payment Year the El Dorado Parties will pay the amount shown on SMUD's Delivery Invoice as being due except to the extent that the El Dorado Parties dispute such amount as provided in Section 17.2.

ARTICLE IX PAYMENT PROCEDURES

9.1 Late Payments. Amounts not paid by either the El Dorado Parties or SMUD on or before the applicable due date for each payment will accrue late payment charges computed at a rate per annum which is equal to the lesser of (a) a rate which is two percent (2%) above the prime rate of interest as published by The Wall Street Journal (such rate being the base rate on corporate loans posted by at least 75% of the United States' 30 largest banks or another standard adopted by The Wall Street Journal) or (b) the maximum rate from time to time permitted by applicable law.

9.2 Payment Mechanisms.

9.2.1 Payments to SMUD by the El Dorado Parties. Payments made by the El Dorado Parties to SMUD will be made through Electronic Funds Transfer (EFT) or Fedwire as specified by SMUD by notice to an account, the number of which will be provided to the El Dorado Parties by notice.

9.2.2 Payments to the El Dorado Parties by SMUD. Payments made by SMUD to the County will be made through Electronic Funds Transfer (EFT) or Fedwire as specified by the County by notice to an account, the number of which will be provided to SMUD by notice.

**ARTICLE X
USE OF AGREEMENT BY PARTIES**

10.1 El Dorado Parties Use of Agreement. The El Dorado Parties may use this Agreement to support their acquisition pursuant to Section 6.1 of water rights for the use of American River water as El Dorado Water, including the acquisition of new water rights and changes in and transfers of existing water rights. The El Dorado Parties may not use this Agreement to support the acquisition or transfer of or change in any other water right.

10.2 SMUD Use of Agreement. SMUD may utilize this Agreement as evidence that it has fully satisfied those matters described in Section 4.4 in its dealings with all other parties to the Current Relicensing Process and related processes.

**ARTICLE XI
COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT**

11.1 Notice Regarding CEQA. When any El Dorado Party decides it wishes to initiate proceedings under CEQA in regards to this Agreement, that Party will promptly give the other Parties notice of such fact and of the commencement of actions to comply with CEQA as specified in this Article XI and as required by CEQA and the CEQA Guidelines.

11.2 Responsibilities of Parties.

11.2.1 Lead Agency; Responsible Agencies. The Parties shall cooperate in determining which of the El Dorado Parties shall be lead or responsible agencies for each Project or Projects under this Agreement pursuant to Pub. Res. Code §§ 21067 and CEQA Guidelines § 15051. SMUD may be a responsible agency for each Project or Projects under this Agreement pursuant to Pub. Res. Code § 21069.

11.2.2 Environmental Review and Analysis by Lead Agency. The Lead Agency or Agencies will first consider whether the Project is exempt under CEQA. If the Project is not

exempt, the Lead Agency or Agencies will prepare an initial study to determine whether the Project may have a significant effect on the environment. The Lead Agency or Agencies will then determine if it will prepare a Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report (“EIR”) for the Project. If the Lead Agency or Agencies prepare an EIR for the Project, the EIR will include all analysis required by law, including identification and meaningful evaluation of (1) a range of reasonable alternatives to the Project that could feasibly attain the basic objectives of the Project, (2) feasible mitigation measures that would lessen any significant adverse effects of that Project, and (3) a no Project alternative.

11.2.3 SMUD's Responsibility for Mitigation Measures. SMUD will have the responsibility for mitigating or avoiding, at its cost, the direct or indirect environmental effects of only those parts of the Project which it decides to carry out, finance, or approve and will have the sole discretion to determine what mitigation measures under its responsibility are "feasible," as that term is defined in section 15364 of the CEQA Guidelines, to avoid, eliminate or reduce such impacts.

11.2.4 El Dorado Parties' Responsibility for Mitigation Measures. The El Dorado Parties will be responsible for implementing, at their cost, all environmental mitigation measures adopted as part of the environmental review process in order to mitigate the impacts of any Project, other than as provided in Section 11.2.3. Each El Dorado Party will have the sole discretion to determine what mitigation measures under its responsibility are "feasible," as that term is defined in section 15364 of the CEQA Guidelines, to avoid, eliminate or reduce such impacts.

11.2.5 Cooperation of Parties. The Parties will cooperate with each other, in good faith and as needed, to conduct a thorough and legally sufficient CEQA review of any Project pursuant to this Agreement.

11.3 Discretion of the El Dorado Parties. Each El Dorado Party retains its discretion to independently, fairly, and fully evaluate each Project and environmental documentation prepared pursuant to CEQA. Prior to final approval or implementation of any Project, each El Dorado Party, either as a lead agency or responsible agency as required by CEQA, shall consider the environmental documentation prepared pursuant to CEQA. If an EIR is utilized and (1) identifies significant adverse impacts that can be reduced to a less than significant level through the adoption of feasible alternatives and/or mitigation measures, or (2) identifies significant adverse impacts that cannot be reduced to a level that is less than significant, the El Dorado Parties shall have complete discretion, subject to the requirements of CEQA, to determine whether to adopt such alternatives and/or feasible mitigation measures and whether to approve the Project notwithstanding one or more significant environmental impacts together with a statement of overriding considerations, as the case may be.

If any such El Dorado Party determines not to adopt such alternatives or mitigation measures and decides not to issue a statement of overriding considerations, such El Dorado Party will not implement any provision of this Agreement to have SMUD store or deliver El Dorado Water and will not construct any water delivery facilities as contemplated under this Agreement, unless the El Dorado Party otherwise first complies with CEQA.

11.4 Discretion of SMUD. SMUD retains its discretion to independently, fairly, and fully evaluate each Project and environmental documentation prepared pursuant to CEQA. Prior to final approval or implementation of any Project, SMUD, as a responsible agency, shall consider the environmental documentation prepared pursuant to CEQA. If an EIR is utilized and (1) identifies significant adverse impacts that can be reduced to a less than significant level through the adoption of feasible alternatives and/or mitigation measures, or (2) identifies significant adverse impacts that cannot be reduced to a level that is less than significant, SMUD shall have complete discretion, subject to the requirements of CEQA, to determine whether to adopt such alternatives and/or feasible mitigation measures and whether to approve the Project notwithstanding one or more significant environmental impacts together with a statement of overriding considerations, as the case may be.

If SMUD determines not to adopt such alternatives or mitigation measures and decides not to issue a statement of overriding considerations, the El Dorado Parties and SMUD will promptly enter into good faith negotiations pursuant to Section 11.5. Until SMUD and the El Dorado Parties conclude their negotiations pursuant to Section 11.5, SMUD will not implement any provision of this Agreement to have SMUD store or deliver El Dorado Water and will not construct any water delivery facilities as contemplated under this Agreement until SMUD complies with CEQA.

11.5 Good Faith Negotiations. If SMUD determines not to adopt alternatives or mitigation measures and decides not to issue a statement of overriding considerations as provided in Section 11.4 because of the costs associated with mitigation, then the Parties shall negotiate in good faith to modify the provisions of Article VIII of this Agreement so that SMUD will be compensated for the cost of adopting such alternatives or mitigation measures. Upon such modification to this Agreement, SMUD will promptly adopt the alternatives or mitigation measures or a statement of overriding considerations on which the modification or modifications to the Agreement are based.

11.6 Additional Procedures. Consistent with the provisions of this Agreement and with CEQA, the Parties may, in good faith, establish additional and further procedures for implementing and conducting any environmental review under this Article XI. The Parties shall cooperate and take all steps reasonably necessary to obtain any additional permits from any other state or federal agency that may be necessary to implement this Agreement.

ARTICLE XII FUTURE RELICENSING PROCEEDINGS; AMENDMENTS TO LICENSE

12.1 Notice of Subsequent Re-License. SMUD will notify the El Dorado Parties in writing of its intent to apply for any Subsequent New License concurrent with its notification provided to FERC and in no event later than five (5) years prior to the expiration of then-effective New License or Subsequent New License.

12.2 Subsequent Relicensing Processes. Promptly after the notice specified in Section 12.1, SMUD and the El Dorado Parties will begin and diligently pursue good faith negotiations over any of the amendments to this Agreement specified in the next sentence that would be appropriate in consideration of:

- (1) any changes in applicable law, or
- (2) any changes resulting from the Subsequent New License in the impacts of the UARP on then-existing (i) available public resources within El Dorado County, (ii) facilities owned or services provided by any of the El Dorado Parties, and (iii) any resource or other interest subject to the jurisdiction of any of the El Dorado Parties.

The amendments that will be the subject of negotiation are: (i) any changes in mitigation measures to be included in the relevant Subsequent New License, (ii) any additional capital payments to be made by SMUD, and (iii) any changes in annual payments to be made by SMUD. If the Parties are unable to reach agreement on such matters in time for the El Dorado Parties to intervene in such Subsequent Relicensing Process, nothing herein waives the right of any El Dorado Party to intervene and request additional mitigation associated with the impacts of the UARP on facilities owned or services provided by, or any resource or other interest subject to the jurisdiction of, such El Dorado Party that would be occasioned by such Subsequent New License.

12.3 Amendments to New License, Subsequent New License. Except in the case of dam safety or security, SMUD will notify the El Dorado Parties prior to filing an application for a capacity-related amendment to the New License or to any Subsequent New License or prior to making any modification to the UARP that may in SMUD's reasonable judgment have a material effect on the delivery of El Dorado Water. Such notice will specify with particularity the nature of the amendment or modification SMUD will seek. A capacity related amendment will have the same meaning as that term is defined in FERC regulations (18 CFR § 4.201(b)), and SMUD will provide 90-days prior notice for any capacity-related amendment that will not have a material effect on the delivery of El Dorado Water. For any capacity-related amendment or modification that will have a material effect on the delivery of El Dorado Water, SMUD will provide at least twelve (12) months advance written notice. If the El Dorado Parties believe that the amendment or modification would cause an increase in any of the impacts of the UARP on facilities owned or services provided by, or any resource or other interest within the jurisdiction of, any of the El Dorado Parties, they will give SMUD notice to that effect. The Parties then will begin and diligently pursue good faith negotiations over the matters specified in Section 12.2 with respect to such amendment or modification. If the Parties are unable to reach agreement on such matters in time for the El Dorado Parties to intervene in the license amendment process, nothing herein waives the right of any El Dorado Party to intervene and request additional mitigation associated with changes in the impacts of the UARP on facilities owned or services provided by, or any resource or other interest within the jurisdiction of, such El Dorado Party that would be occasioned by such amendment to the FERC license for the UARP.

**ARTICLE XIII
RE-OPENERS**

13.1 General. This Agreement will be subject to being re-opened for good faith negotiations by the Parties on the issues and on the terms and conditions specified in this Article XIII. During such negotiations, each Party will make available to the other Parties all non-privileged information available to such Party that bears on the issue under negotiation.

13.1.1 Notice of Re-Opener. Any Party seeking to re-open this Agreement will provide written notice to the other Parties that it is exercising its right to re-open this Agreement (“Notice of Re-Opener”). The Notice of Re-Opener will set forth with particularity the facts that support the existence of such right and the issues to be re-negotiated.

13.2 Criteria Applicable to All Re-Opener Negotiations and Arbitrations. The following general criteria will govern, and the criteria specified in Sections 13.2.1 through 13.2.6 will be maintained in, all re-opener negotiations and any subsequent arbitrations:

13.2.1 SMUD must remain financially whole and risk neutral as measured by the configuration of the UARP as of the Effective Date of this Agreement in a manner consistent with the principles underlying the provisions of Article VIII;

13.2.2 For purposes of upholding SMUD system operational reliability and UARP operational flexibility and complying with license, regulatory, and other legal requirements, the Daily Net Storage Threshold must be a volume and calculated in a manner that is comparable to the Daily Net Storage Threshold of 150,000 acre-feet for such reservoirs under the Original License;

13.2.3 SMUD must be compensated for any re-operation conducted below the Daily Net Storage Threshold for the benefit of the El Dorado Parties in a manner consistent with the principles underlying the provisions of Article VIII and Exhibit “F”;

13.2.4 SMUD must continue to be able to operate the UARP primarily as a dispatchable hydroelectric generating project;

13.2.5 The operational elevations and constraints for Slab Creek Reservoir must be sufficient to uphold SMUD system operational reliability and UARP operational flexibility and to comply with license, regulatory, and other legal requirements;

13.2.6 The extent of the El Dorado Parties’ reasonable, detrimental reliance upon their rights under this Agreement to store and receive delivery of water or their pre-existing right, to the extent of 30,000 afy (40,000 afy after 2025), to use the White Rock Penstock or Slab Creek Reservoir for Annual Deliveries will be taken into account; such reliance to be through investment in infrastructure, approval of development, or forbearance from pursuing viable transactional opportunities or asserting legal claims against third Parties which, if successful, would have secured for the El Dorado Parties advantages similar to those under this Agreement.

13.3 Source of Water Re-Opener. The El Dorado Parties will re-open this Agreement if the El Dorado Parties desire that SMUD store and deliver water from any source of water obtained pursuant to Section 6.1(b) and Paragraph 2 of Exhibit “G” to the extent that, prior to the time that such water is obtained, the source of water does not physically flow into and through the UARP as it is then configured or the water rights for such source of water do not contain the provisions specified in Paragraph 2(b) of Exhibit “G”. In such event, the following issues as to the relevant source of water will be subject to renegotiation:

- (i) amount and timing of Seasonal Storage and Carryover Storage;
- (ii) timing and rate of any and all deliveries; and
- (iii) amount of and measure for any modification in the payments due to SMUD under Article VIII hereof.

The criteria set forth in Section 13.2 above will be applied in such a manner to keep SMUD in the same position it would have been were the El Dorado Parties to support their storage and deliveries exclusively by a partial transfer and/or assignment from the City.

13.4 Points of Delivery Re-Opener. The El Dorado Parties may re-open this Agreement if the El Dorado Parties desire to add points of delivery (other than the White Rock Delivery Point, the SFAR Delivery Point, and at the Iowa Hill Development) within the UARP. In such event, the following issues as to the proposed additional points of delivery will be subject to renegotiation:

- (i) whether and to the extent to which the proposed additional points of delivery should be added;
- (ii) timing and rate of any and all deliveries; and
- (iii) amount of and measure for any modification in the payments due to SMUD under Article VIII hereof.

The criteria set forth in Section 13.2 above will be applied in such a manner to keep SMUD in the same position it would have been in if the proposed point(s) of delivery were not added.

13.5 Iowa Hill License Re-Opener. SMUD may re-open this Agreement if FERC grants SMUD a New License that allows SMUD to build and construct the proposed Iowa Hill Development, and the Board of Directors of SMUD has decided to proceed with the construction of the Iowa Hill Development. In such event, the following issues will be subject to renegotiation:

- (i) constraints, if any, on the extent, quantity, and timing of the El Dorado Parties’ right to take deliveries from the White Rock Delivery Point; and

(ii) amount of and measure for any modification in the payments due from the El Dorado Parties to SMUD under Article VIII hereof.

The criteria set forth in Section 13.2 above will be applied to ensure that (a) SMUD can effectively use the Slab Creek Reservoir as the lower reservoir for the Iowa Hill Development while providing the ability for the El Dorado Parties to take deliveries under this Agreement; and (b) the Annual Value of Foregone Power payment to SMUD by the El Dorado Parties is not increased.

13.6 Re-Opener for New License.

13.6.1 SMUD may re-open this Agreement no later than forty-five (45) days after the issuance of the New License, if the New License contains Flow-Related PM&E Measures that would require SMUD to change its operations and result in an Annual Loss of Net Generation Value of greater than five percent (5%). In such event, the following issues will be subject to renegotiation:

- (i) increases in the Daily Net Storage Threshold;
- (ii) accommodation of other physical and operational constraints resulting from the PM&E Measures;
- (iii) corresponding reductions in, or changes in the timing of, deliveries to, and storage for the El Dorado Parties under this Agreement; and
- (iv) amount of and measure for any modification in the payments due from the El Dorado Parties to SMUD under Article VIII hereof.

SMUD may only exercise its right under this re-opener prior to the date the New License is issued under the terms of this Agreement if both (a) the El Dorado Parties are receiving Annual Deliveries or deliveries from Carryover Storage; and (b) SMUD is unsuccessful in seeking a stay of implementation of the Flow-Related PM&E Measures pending action under Section 313 of the Federal Power Act or under state law provisions governing appeals of conditions of a Clean Water Act 401 certification and/or an NPDES permit. To the extent SMUD is ultimately successful in its challenge to the inclusion of the Flow-Related PM&E Measures in its New License or its challenges to the 401 Certification or the NPDES Permit, the Parties will modify the renegotiated terms accordingly.

The criteria set forth in Section 13.2 above will be applied to ensure that (a) the operational considerations specified in Section 13.2 are not materially impaired by deliveries to and storage for the El Dorado Parties; and (b) payments from the El Dorado Parties to SMUD are commensurate with the changes resulting from the Flow-Related PM&E Measures.

13.6.2 For purposes of Section 13.6.1, (i) the Annual Loss of Net Generation Value of the UARP will be determined taking into account the increase or decrease that operation of the Iowa Hill Development would have on the Net Generation Value of the UARP

under the New License versus the Net Generation Value of the UARP under the Original License, (ii) in so determining the Annual Loss of Net Generation Value of the UARP it will be assumed that the Board of Directors of SMUD has decided to proceed with the construction of the Iowa Hill Development, and (iii) the amount of the increase or decrease that the Iowa Hill Development would have on Net Generation Value will be based on the best information available to SMUD at the time.

13.6.3 If SMUD ultimately elects not to construct the Iowa Hill Development, SMUD may reopen this Agreement, and the issues subject to renegotiation will be as specified in Section 13.6.1 without reference to the Iowa Hill Development.

ARTICLE XIV TERMINATION; SURVIVAL

14.1 Termination. This Agreement will terminate prior to the expiration of the Term upon the occurrence of any of the following events: (i) by mutual written agreement of the Parties, (ii) at such time as SMUD is no longer the licensee of the UARP, unless and to the extent the successor licensee assumes, or is directed by FERC to assume, the obligations of SMUD hereunder, or (iii) by any Party in the event the UARP is no longer being operated by any entity.

14.2 Survival of Provisions. The following provisions will survive any termination of this Agreement: Article IV to the extent payments from SMUD to the County are accrued and unpaid; Section 16.1 (Remedies); this Section 14.2 (Survival); Article XVII (Dispute Resolution); Section 2.2 (Effect on 1957 and 1961 Agreements); Article VIII to the extent payments due from the El Dorado Parties to SMUD are accrued and unpaid.

ARTICLE XV REPRESENTATIONS AND WARRANTIES

15.1 Representations and Warranties of El Dorado Parties. Each El Dorado Party separately represents and warrants to SMUD that:

15.1.1 Due Authority and Approval. It has all legal power and prior unqualified and un-rescinded authority to enter into this Agreement, and to consummate the transactions contemplated hereby.

15.1.2 Validity. This Agreement has been duly executed and delivered by the representing El Dorado Party, and constitutes a valid and binding obligation, enforceable against such representing El Dorado Party in accordance with its terms.

15.1.3 No Violation. To the best of the representing El Dorado Party's knowledge, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby will, as of the date of this Agreement, violate any provision of law applicable to the representing El Dorado Party, or any agreement or other instrument to

which such representing El Dorado Party is a party or by which it is bound in any material respect.

15.1.4 Litigation. There are no pending or, to the best of the representing El Dorado Party's knowledge, after due diligence, threatened proceedings against such representing El Dorado Party by or before any Governmental Entity as of the date of this Agreement concerning the execution and delivery of this Agreement, its subject matter, or the consummation by the representing El Dorado Party of the transactions contemplated hereby.

15.1.5 Decisions Respecting Delivery and Storage of Water. The El Dorado Party has not decided (1) whether it will exercise any rights provided in this Agreement for the delivery and storage of water, or (2) if it ultimately decides to exercise such right, how, or to what extent such right will be exercised, where delivery of water will be taken, what facilities will be constructed or where they will be located, or where or for what purpose such water will be put to beneficial use.

15.2 Representations and Warranties of SMUD. SMUD represents and warrants to the El Dorado Parties that:

15.2.1 Due Authority and Approval. SMUD has all legal power and prior unqualified and un-rescinded authority to enter into this Agreement, and to consummate the transactions contemplated hereby.

15.2.2 Validity. This Agreement has been duly executed and delivered by SMUD, and constitutes a valid and binding obligation of SMUD, enforceable against SMUD in accordance with its terms.

15.2.3 No Violation. To the best of SMUD's knowledge, neither the execution and delivery of this Agreement, nor the consummation by SMUD of the transactions contemplated hereby will, as of the date of this Agreement, violate any provision of law applicable to SMUD, or any agreement or other instrument to which SMUD is a party or by which it is bound in any material respect.

15.2.4 Litigation. There are no pending or, to the best of SMUD's knowledge, after due diligence, threatened proceedings against SMUD by or before any Governmental Entity as of the date of this Agreement concerning the execution and delivery of this Agreement, its subject matter, or the consummation by SMUD of the transactions contemplated hereby.

ARTICLE XVI REMEDIES

16.1 Remedies.

16.1.1 Specific Performance. The Parties acknowledge and agree that the covenants and agreements of the Parties as set forth in this Agreement, other than the agreement to pay money, are unique and of such a nature as to be inherently difficult or impossible to value

in monetary damages, and that a remedy at law for any breach will be by itself inadequate. Accordingly, each Party agrees that if any breach occurs, the remedy of specific performance or other injunctive or equitable relief in addition to compensatory relief will be available to the fullest extent available under the law.

16.1.2 Cumulation of Remedies. No remedy or election will be deemed exclusive but will, wherever possible, be cumulative with all other remedies at law or in equity.

ARTICLE XVII DISPUTE RESOLUTION

17.1 General. The Parties will resolve any dispute, claim, or controversy arising out of or relating to this Agreement or its interpretation, enforcement, or performance exclusively in accordance with sequential processes steps provided in this Article XVII, unless all Parties to the dispute or that may be affected by its resolution (“Disputing Parties”) agree in writing to dispense with one or more of the steps that precede arbitration. No Party may seek judicial relief with respect to any dispute other than in a Neutral County, (i) in the event of an emergency as provided in Section 17.6.3, (ii) to enforce the provisions of this Agreement requiring the resolution of disputes through arbitration, and (iii) to enforce an arbitration award. All remedies shall be available to such neutral arbitrator, including injunctive relief, in order to preserve the status quo pending resolution of any dispute.

17.2 Dispute by El Dorado Parties over SMUD Delivery Invoice. If the El Dorado Parties dispute any aspect of SMUD’s Delivery Invoice, they will pay to SMUD the amount not in dispute and give SMUD notice of such dispute by February 28 of the Payment Year specifying the total amount of the Delivery Invoice that is in dispute and, with reasonable particularity, the basis for the dispute, including information regarding disputed deliveries, disputed calculation of payment factors, and any other aspect of the Delivery Invoice to which the dispute extends. The amount in dispute will be submitted for expedited dispute resolution in accordance with Section 17.3.3.4, and any amount determined to be owing to SMUD will bear interest as specified in Section 9.1.

17.3 Negotiation of Re-opener Disputes under Article XIII; Suspension; Termination. The sequential steps specified in this Section 17.3 will govern all disputes between the Parties under Article XIII respecting re-openers.

17.3.1 Effectiveness of This Agreement. During negotiations on reopened issues and any arbitration conducted in accordance with Section 17.5, this Agreement will remain in full force and effect and the Parties will be obligated to continue their performance under this Agreement during such negotiations, except as provided in Section 17.3.3 below.

17.3.2 Good Faith Negotiations. If the Parties are unable to reach agreement on an issue as to which a right of re-opener has been exercised after diligent, good faith negotiations for a six (6)-month period commencing upon the Notice of Re-Opener, and the Parties do not

agree to extend the period for such negotiations, then any Party may submit the matter to binding arbitration in accordance with Section 17.5 below.

17.3.3 Suspension and Termination of this Agreement.

17.3.3.1 Suspension. If SMUD exercises its right to re-open this Agreement pursuant to Section 13.6 above (Re-Opener for New License), SMUD may, in its sole discretion, temporarily suspend (until resolution of said re-opener issues by negotiation and/or arbitration) its performance of those provisions of this Agreement that are subject to such negotiation and/or arbitration and the performance of which would, in light of the terms and conditions of the New License, impair SMUD system operational reliability or impair SMUD's ability to comply with license, regulatory, or other legal requirements.

17.3.3.2 Impairment; Notice. If SMUD elects to temporarily suspend its performance under this Section 17.3.3, SMUD will include in its Notice of Re-Opener a specification of (i) the provisions of this Agreement that are to be temporarily suspended; (ii) the terms and conditions of the New License that bear on the impairment of SMUD; (iii) the reasons the provisions, terms, and conditions would cause such impairment; and (iv) the proposed effective date of suspension. If the El Dorado Parties conclude that they would be injured by such suspension, they will provide written notice to SMUD specifying in reasonable detail the nature of such injury and the extent to which and the reason the injury is irreparable ("Notice of Injury"). Said notice will be provided to SMUD within fifteen (15) days of SMUD's Notice of Re-Opener.

17.3.3.3 Meet and Confer. The Parties will meet and confer in good faith within fifteen (15) days of the El Dorado Parties' Notice of Injury to attempt to agree upon the nature of, and the actions which might be taken to minimize, the impairments and the injuries so noticed. If the Parties are unable to agree in these informal negotiations, then within forty-five (45) days of SMUD's Notice of Re-Opener, either SMUD or the El Dorado Parties may seek expedited binding arbitration in accordance with Section 17.3.3.4 below. The arbitrator will be selected in accordance with Section 17.5.3. The arbitrator, in reaching his decision, will consider, without limitation, (i) the extent to which SMUD is entitled to temporarily suspend its performance of the provisions specified in its Notice of Re-Opener, and (ii) the extent to which such temporary suspension will cause irreparable injury to the El Dorado Parties.

17.3.3.4 Expedited Binding Arbitration. The procedural rules set forth in Section 17.5 will apply, subject to the following differences: (i) the petition for arbitration must be filed within forty-five (45) days of the Notice of Re-Opener; (ii) the responding Party must file a response within ten (10) days; (iii) arbitration hearing will be set for a date that falls within sixty (60) days of the filing of the petition for arbitration; and (iv) the arbitrator, in reaching its decision, will consider, without limitation, the extent to which SMUD is entitled to temporarily suspend its performance of the provisions specified in its Notice of Re-Opener, and the extent to which such temporary suspension will cause irreparable injury to the El Dorado Parties.

17.3.3.5 Termination. If the arbitrator sustains any aspect of SMUD's suspension, but determines that such suspension causes irreparable injury to the El Dorado Parties, then the El Dorado Parties, in their sole and absolute discretion, may terminate the following provisions of this Agreement by providing SMUD with written notice of termination within ten (10) days of the arbitrator's final determination, with the termination to be effective thirty (30) days thereafter: Article V, Section 6.1, Section 6.2, Article VII, Article VIII except with respect to deliveries made by SMUD prior to the effective date of the termination, and Article XIII.

17.4 Negotiation and Mediation of Other Disputes. The sequential steps specified in this Section 17.4 will govern all disputes between the Parties other than those disputes under Section 17.2 respecting a SMUD Delivery Invoice and Section 17.3 respecting re-openers.

17.4.1 Informal Negotiations. The Disputing Parties will first attempt to resolve the dispute through informal negotiation between representatives that are knowledgeable of the issues in dispute and have the authority to settle or recommend settlement of the dispute.

17.4.2 Formal Negotiations. If at any time it appears to a Disputing Party that the dispute will not be resolved by informal negotiation as provided in Section 17.4.1, the Disputing Party may initiate formal negotiations by providing written notice to all other Disputing Parties setting forth the subject of the dispute, the relief requested, and the reason the Party believes it is entitled to such relief under this Agreement. Each recipient of such notice will respond within ten (10) days with a written statement of its position on and recommended resolution of the dispute. If the dispute is not resolved through this exchange of correspondence, a senior executive of each Disputing Party, with full settlement authority, will meet at a mutually agreeable time and place within ten (10) days of the date of the last response to attempt to resolve the dispute. If the dispute is not resolved by these formal negotiations within thirty (30) days after the date of the notice initiating formal negotiations, any Disputing Party may submit the issue for mediation in accordance with Section 17.4.3 hereof.

17.4.3 Mediation.

17.4.3.1 Notice; Selection of Mediator. Any Disputing Party may initiate mediation by providing the other Disputing Parties with a written request to enter into mediation. The Parties will select an agreed-upon neutral mediator within ten (10) days of the written notice. The mediator selected will be experienced, neutral, without conflicts of interest, and qualified to mediate disputes of the nature of those that have arisen under this Agreement, as such qualifications are described in Section 17.5.3. If the Parties are unable to agreed upon a mediator, the El Dorado Parties, collectively, and SMUD will each appoint one mediator, with the two appointed mediators selecting a third qualified, neutral mediator who will serve as the sole mediator of the dispute.

17.4.3.2 Mediation Conference; Settlement of Dispute. Within ten (10) days of the selection of the sole mediator as provided in Section 17.4.3.1, an initial mediation conference will take place at the offices of the mediator, or such other place as the mediator may designate. The mediator may schedule two additional mediation conferences on

dates and at places reasonably determined by the mediator, to be held within thirty (30) days after selection of the sole mediator. The mediator will preside, and the Disputing Parties will be represented by a senior executive, at all mediation conferences. If the Parties reach agreement on the settlement of the dispute, within ten (10) days after the conclusion of the last mediation conference, the Parties will enter into a written settlement agreement setting out the terms and conditions of the settlement of the dispute.

17.4.3.3 Failure to Resolve Dispute. If the Parties are unable to resolve the dispute through mediation, any Disputing Party may submit the dispute to arbitration pursuant to Section 17.5.

17.5 Binding Arbitration.

17.5.1 Rules of Arbitration. The arbitration will be conducted pursuant to the Commercial Arbitration Rules, including the Procedures for Large, Complex Commercial Disputes, of the American Arbitration Association in effect at the time of the dispute (“AAA Rules”), except as otherwise provided in this Agreement.

17.5.2 Initiation of Arbitration. Any Party may initiate arbitration by giving the other Party notice of its intention to arbitrate (“Arbitration Demand”) within thirty (30) days after the conclusion of any mediation proceedings conducted under Section 17.4.

17.5.3 Appointment of Arbitrator. Within thirty (30) days after delivery of the Arbitration Demand, the Parties will mutually agree upon a single arbitrator who will be experienced in (i) the economics and operations of electric utilities with complex hydro-electric projects, (ii) the requirements of water districts with delivery obligations similar to those of the El Dorado Parties, and (iii) the process of deciding disputes and interpreting contracts similar to this Agreement. If the Parties are unable to agree upon an arbitrator within such thirty-day period, then within fifteen (15) days after the expiration of such 30-day period SMUD and the El Dorado Parties collectively will each appoint one arbitrator with the two appointed arbitrators selecting a third, neutral, qualified arbitrator who will serve as the sole arbitrator of the dispute. If the appointed arbitrators are unable to agree on the third arbitrator within thirty (30) days after their appointment, then the sole arbitrator shall be made as provided in the AAA Rules.

17.5.4 Discovery. The Parties will be entitled to take discovery of any person or entity by any or all methods specified provided in the California Code of Civil Procedure on such conditions respecting relevancy of information sought, timing, and duplicative discovery as the arbitrator may direct in order to preserve the expedited nature of arbitration.

17.5.5 Arbitration Award. The arbitrator’s award, including the relief granted, must be consistent with the provisions of this Agreement, and the arbitrator will not have jurisdiction to award relief not contemplated by the provisions of this Agreement.

17.6 Miscellaneous Provisions.

17.6.1 Good Faith. The Parties will participate in all steps of the dispute resolution process required by this Article XVII diligently and in good faith.

17.6.2 Confidentiality. All offers, promises, statements, and other communications (whether oral or written) made in the course of informal negotiation, formal negotiation, and mediation under this Article XVII by any of the Parties, their agents, employees, experts, and attorneys, and by the mediator, are confidential, privileged, and inadmissible for any purposes in any arbitration under Section 17.5, litigation, or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

17.6.3 Emergency Relief. Any Disputing Party may be permitted to seek a preliminary injunction or temporary restraining order in a Neutral County prior to the initiation of arbitration proceedings to preserve the status quo pending the resolution of the dispute before the arbitrator and only in the event of an existing or threatened emergency which has or imminently will cause substantial interference with the public health, safety and welfare. Such emergency relief will continue only until the neutral arbitrator has been designated pursuant to Section 17.5.3 and has had an opportunity to consider whether to continue such relief in effect.

17.6.4 Costs of Mediation, Arbitration. All Parties will bear their own costs of mediation and arbitration, including charges and expenses of any mediator and arbitrator appointed by them. SMUD and the El Dorado Parties collectively will share equally all charges and expenses of neutral mediators and arbitrators.

ARTICLE XVIII GENERAL PROVISIONS

18.1 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in this State.

18.2 Entire Agreement. This Agreement contains the entire understanding and agreement of the Parties and there have been no promises, representations, agreements, warranties, or undertakings by any of the Parties, either oral or written, of any character or nature binding except as stated or referenced in this Agreement. This Agreement may be altered, amended, or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives its right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreement, course of conduct, waiver, or estoppel.

18.3 Severability. If any provision of this Agreement is determined by final judgment of any court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement will remain in full force and effect and will not be affected thereby. The provision that is so invalidated or held to be unenforceable will be modified or changed by the Parties to the extent possible to carry out the intentions and directives set forth in this Agreement. However, if any Party contends the invalid or unenforceable provision remains material to its continuing performance under this Agreement, and no modification can be mutually agreed upon, then such Party may initiate the Dispute Resolution provisions set forth in

Article XVII. If a mutually satisfactory resolution is not achieved through mediation, the Party contending the invalid or unenforceable provision is material may seek arbitration in accordance with the provisions of Section 17.5 for the sole purpose of determining whether the invalid or unenforceable provision is sufficiently material that it would be unfair and inequitable to require the Party's continuing performance under this Agreement and whether any proposed modification can be incorporated so as to make performance reasonable under the circumstance. If a Party obtains a determination that continuing performance would be unfair and inequitable and that there are no reasonable modifications available, this Agreement will terminate upon the terms that may be provided by the arbitrator.

18.4 Assignment; Successors and Assigns. No Party may transfer or assign this Agreement or any part thereof without the other Parties' prior written consent, which consent may be withheld in any Party's absolute discretion. This Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective permitted assigns and successors in interest.

18.5 No Third Party Rights. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any persons other than the Parties and their respective successors and assigns.

18.6 Incorporation of Recitals and Exhibits. The Recitals sets forth above are incorporated in this Agreement and made a part hereof. All exhibits attached hereto are incorporated by this reference as though fully stated herein.

18.7 Waiver. The waiver of any breach of any provision hereunder by any Party to this Agreement will not be deemed to be a waiver of any preceding or subsequent breach hereunder, nor will any waiver constitute a continuing waiver. No waiver will be binding unless executed in writing by the Party making the waiver.

18.8 Attorneys' Fees; Costs. If any legal action is brought by any Party against any other Party respecting the enforcement, interpretation, or performance of this Agreement, each Party will bear its own attorneys' fees and court costs.

18.9 No Precedent. This Agreement is entered into as a compromise and with the specific understanding that it is without any admission of fault by either Party and is without precedential value. It is not intended to be, nor will it be construed as an interpretation of any preexisting agreement and will not be used as evidence, or in any other manner, in any court or dispute resolution proceeding (with the exception of an action or proceeding to enforce the terms of this Agreement) to create, prove or interpret the obligations of any Party hereto or any of its individual members, associates, successors, or predecessors under any other agreement(s) with a Party or any non-Party to this Agreement.

18.10 Good Faith. This Agreement is subject to the covenant of good faith and fair dealing.

18.11 Other Instruments. Each Party from time to time will execute and deliver such other and further documents as another Party may reasonably deem necessary to effect the intent and carry out the provisions of this Agreement.

18.12 Representation by Counsel; Interpretation. Each Party acknowledges that it has been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the Party that drafted it has no application and is expressly waived. The provisions of this Agreement will be interpreted in a reasonable manner to effect the intent of the Parties.

18.13 Notices. All notices and other communications given under this Agreement will be given in writing as provided in this Section 18.13 or given pursuant to the DI Agreement provided for in Section 5.4.3. Notices will be conclusively deemed to have been duly given (1) when hand delivered to the other Party; (2) when received if sent by facsimile to the number set forth below and the receiving facsimile machine confirms such receipt to the sender, provided that any notice given by facsimile will be deemed received on the next business day if such notice is received after 5:00 p.m. or on a non-business day; (3) three business days after the same have been deposited in a United States post office with first class or certified mail return receipt requested postage prepaid and addressed to the Parties as set forth below; (4) the next business day after same have been deposited with a national overnight delivery service (Federal Express, DHL Worldwide Express, Express Mail, etc.), postage prepaid, addressed to the Parties as set forth below with next-business-day delivery guaranteed, provided that the sending Party receives a confirmation of delivery from the delivery service provider; or (5) as provided in the DI Agreement.

To SMUD: General Manager
Sacramento Municipal Utility District
6201 S Street
Sacramento, CA 95817
Phone: (916) 452-3211
Fax: (916) 732-6562

To County: County of El Dorado
330 Fair Lane
Placerville, CA 95667
Phone: (530) 621-5770
Fax: (530) 621-2937

To EID: El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667
Phone: (530) 622-4513
Fax: (530) 622-1195

To EDCWA: El Dorado County Water Agency
3932 Ponderosa Road, Suite 200
Shingle Springs, CA 95682
Phone: (530) 621-5392
Fax: (530) 672-6721

To EDWPA: El Dorado Water & Power Authority
3932 Ponderosa Road, Suite 200
Shingle Springs, CA 95682
Phone: (530) 621-5392
Fax: (530) 672-6721

To GDPUD: Georgetown Divide Public Utility District
P.O. Box 4240
6425 Main Street
Georgetown, CA 95634
Phone: (530) 333-4356
Fax: (530) 333-9442

A Party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section by giving the other Party written notice of the new address in the manner set forth above.

18.14 Captions, Headings. The captions, headings, and index of this Agreement are for convenience only and have no force and effect in the interpretation or construction of this Agreement.

18.15 Signatures - Counterparts. This Agreement and any amendment hereto, may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement will not be effective until the execution and delivery between each of the Parties of at least one set of counterparts. The Parties authorize each other to detach and combine original signature pages and consolidate them into a single identical original. Any of such completely executed counterparts will be sufficient proof of this Agreement.

18.16 Condition Precedent to Construction, Delivery, and Storage. The Parties will comply with the provisions of Article XI as an express condition precedent to exercising any of the rights in this Agreement that would require: 1) the acquisition of water rights for the storage and delivery of water to the El Dorado Parties; 2) modification of SMUD's operation of the UARP for delivery of water to the El Dorado Parties; or 3) construction of facilities necessary for delivery of water to any of the El Dorado Parties.

ARTICLE XIX
ALLOCATION OF RIGHTS AND OBLIGATIONS AMONG EL DORADO PARTIES

19.1 El Dorado Designated Representative. The El Dorado Parties agree that the El Dorado Designated Representative will be the sole and exclusive Party that may and is responsible for the exercise the obligations described in this Section 19.1. The El Dorado Designated Representative will be the El Dorado Water and Power Authority unless and until that entity ceases to exist, in which case the El Dorado County Water Agency will succeed to the rights and responsibilities of the El Dorado Designated Representative. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties for the following purposes under this Agreement:

19.1.1 Water Supply Acquisition. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties for all purposes in the process of acquiring the water rights and water supplies to be stored in and diverted through and from the UARP in a manner consistent with this Agreement, as contemplated by Sections 6.1, 6.2, and 6.3 of this Agreement, as follows: (a) in seeking regulatory approvals from the SWRCB and the Bureau of Reclamation; (b) in all negotiations related thereto, including but not limited to negotiations with the City, the Bureau of Reclamation, the SWRCB, the Central Valley Project Contractors and the State Water Project Contractors; and (c) in any Water Forum process that may be established as contemplated by Section 6.3 of this Agreement, except to the extent a “Purveyor Specific Agreement” requires separate representation and individual participation by one or more of the El Dorado Parties.

19.1.2 Notices. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties for providing and receiving all notices required under this Agreement, including Notices of Re-opener under Article XIII.

19.1.3 Scheduling of Deliveries. The El Dorado Designated Representative will comply with all forecasting, scheduling and notice requirements contained in Sections 5.2.1, 5.2.2, 5.3, and 5.4 of this Agreement and it will specifically identify for each El Dorado Party the quantity of water delivery being forecasted.

19.1.4 Negotiation of Interconnection Construction Agreement. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties in the negotiations of the Interconnection Construction Agreement pursuant to Section 5.2.2.2 of this Agreement.

19.1.5 Construction, Maintenance and Operation of Interconnection Facilities. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties in all matters related to the construction, maintenance and operation of the interconnection facilities described in Section 5.2.2 of this Agreement.

19.1.6 Negotiation of and communications under the Data Interchange Agreement. The El Dorado Designated Representative will serve as the representative of the El

Dorado Parties in the negotiation of and communications under the DI Agreement, pursuant to Section 5.4.3 of this Agreement.

19.1.7 Installation, Maintenance and Calibration of White Rock Meter. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties in all matters related to the installation, maintenance and calibration of the White Rock Meter pursuant to Section 7.1 of this Agreement.

19.1.8 Reporting of Deliveries. The El Dorado Designated Representative will comply with the reporting requirements set forth in Sections 7.1.3 and 7.3 of this Agreement.

19.1.9 Re-opening of this Agreement. The El Dorado Designated Representative will serve as the representative of the El Dorado Parties in any negotiations pursuant to a re-opener as identified in Article XIII hereof.

19.1.10 Resolution of Disputes under this Agreement. In the case of any dispute that may arise under this Agreement, as between the El Dorado Parties on the one hand, and SMUD on the other, the El Dorado Designated Representative will serve as the representative of the El Dorado Parties in any proceedings in order to resolve such a dispute, as described in Article XVII of this Agreement, including litigation to the extent permitted by Sections 17.1 and 17.6.3.

19.2 Power Foregone Payments. The El Dorado Designated Representative will detail in its monthly reporting, pursuant to Sections 7.1.3 and 7.3, to which El Dorado Party the deliveries have been made and provide copies to each El Dorado Party. Any El Dorado Party that requests a correction in any El Dorado Designated Representative monthly reporting will notify El Dorado Designated Representative within fifteen (15) days of the reporting. Any disputes among the El Dorado Parties regarding the accuracy of any monthly reporting by the El Dorado Designated Representative will be resolved no later than January 15 of each Payment Year. By January 15 of each Payment Year, the El Dorado Designated Representative will provide SMUD with a final reporting of the total deliveries made to each El Dorado Party in the prior Payment Year. Such final reporting shall contain the allocation of all deliveries metered at the White Rock Meter and scheduled at the SFAR Delivery Point. The final reporting issued to SMUD by El Dorado Designated Representative will be deemed conclusive for all purposes as among the El Dorado Parties of the apportionment of water provided and the accuracy of the quantities stated therein. SMUD will provide an invoice notice to El Dorado Designated Representative as required by Section 8.2.2 of this Agreement, detailing the payments due from each El Dorado Party that received deliveries in the prior year. Each El Dorado Party receiving deliveries in the prior year shall make direct payments to SMUD for the amount of water delivered to it, pursuant to the procedures described in Section 8.2. In the event any El Dorado Party fails to make timely payment to SMUD of amounts due for Power Foregone, SMUD may proceed to initiate collection directly against the invoiced El Dorado Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year set forth above.

County of El Dorado

By: _____

Attest:

El Dorado County Water Agency

By: _____

Attest:

Georgetown Divide Public Utility District

By: _____

Attest:

El Dorado Irrigation District

By: _____

Attest:

El Dorado Water and Power Authority

By: _____

Attest:

Sacramento Municipal Utility District

By: _____

APPROVED AS TO FORM:

By: _____

By: _____

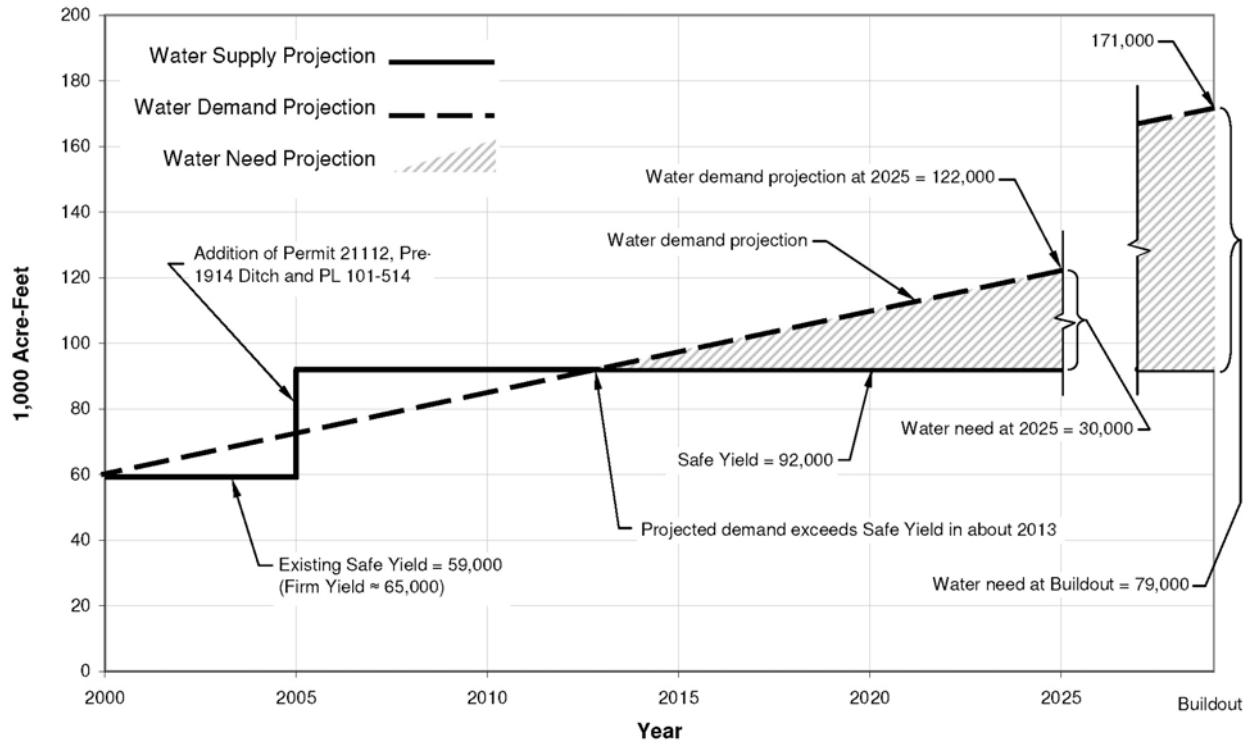
By: _____

By: _____

By: _____

EXHIBIT "A"

Western Slope of El Dorado County
Water Supply, Demand and Need Projections*



*Based on information contained in the El Dorado County Water Agency Draft Water Resources Development and Management Plan, June 2003.

EXHIBIT “B”

Summary of Pending Water Right Applications for UARP

On May 24, 2005, SMUD filed two water right applications with the State Water Resources Control Board. These applications seek additional direct diversion and storage rights on the Upper American River Project. The first application concerns water sources in the Rubicon River basin and is intended to provide a water right that would enable SMUD to continue its historical operations during very wet years, even if the basin’s runoff pattern becomes more variable during the term of SMUD’s impending new FERC license. This application seeks the following rights:

- increase direct diversions from four streams at five existing diversion facilities
 - 800 cubic feet per second (cfs) at Rubicon Reservoir on Rubicon River
 - 160 cfs at Buck Island Reservoir on Little Rubicon River
 - 950 cfs at Loon Lake, Gerle Creek Reservoir and Robbs Peak Reservoir on Gerle Creek and South Fork Rubicon
- recognize existing storage at four reservoirs that provide minimal seasonal storage or are operated to regulate the flow of water into penstocks and tunnels for power generation
 - 1,550 acre-feet at Rubicon Reservoir
 - 760 acre-feet at Buck Island Reservoir
 - 1,200 acre-feet at Gerle Creek Reservoir
 - 100 acre-feet at Robbs Peak Reservoir
- increase the total annual quantity of water that may be diverted from Rubicon River stream sources and put to immediate beneficial use during a single hydrological year
 - up to an additional 155,000 acre-feet would be available for generation at Robbs Peak Powerhouse
 - up to an additional 129,000 acre-feet would be available for direct diversion or diversion to storage from all Rubicon River sources

The second application concerns water sources in the Silver Creek and South Fork American River basins. The application would recognize existing storage at four reservoirs that are operated to regulate the flow of water into penstocks and tunnels for power generation.

- 1,400 acre-feet at Camino Reservoir

- 6,300 acre-feet at Junction Reservoir
- 2,500 acre-feet at Brush Creek Reservoir
- 17,000 acre-feet at Slab Creek Reservoir

EXHIBIT “C”

1957 WATER SOURCES

EID Supplies in place in 1957

1. USBR/EID Contract 14-06-200-949 IR3 (Sly Park)
2. Pre-1914 water rights:
 - from Camp Creek, at Jenkinson Lake
 - from the South Fork American River, at Kyburz
 - from the North Fork Cosumnes River, at the North Fork Cosumnes Extension
 - from Clear Creek, at Crawford Ditch
 - from Squaw Hollow Creek, at East Diamond Ditch
 - from Weber Creek, at Farmer’s Free Ditch
 - from Slab Creek, at the Summerfield Ditch
 - from Hangtown Creek, at the Gold Hill Ditch
 - from Bass Lake watershed, at the Bass lake Reservoir
3. Rights under Statement of Diversion and Use 10717
4. SWRCB permitted rights under Applications 7478, 1692, 15140, and 11675

GDPUD Supplies in place in 1957

1. GDPUD’s Stumpy Meadows Project, consisting of various pre-1914 rights:
 - from Pilot Creek
 - from Mutton Canyon
 - from Bacon Canyon
 - from Deep Canyon
 - from an unnamed tributary to Pilot Creek
2. SWRCB permitted rights under Applications 5644A, 16212, and 16688

**EXHIBIT “D”
DEFINED TERMS**

“1957 Agreement” will mean that certain “Agreement Between County of El Dorado and Sacramento Municipal Utility District” entered into on July 11, 1957, by and between the County and SMUD.

“1961 Agreement” will mean that certain “Supplemental Agreement Between County of El Dorado, El Dorado County Water Agency and Sacramento Municipal Utility District” entered into on December 7, 1961, by and between the County, EDCWA and SMUD.

“Annual Deliveries” will mean delivery of water by SMUD to the El Dorado Parties under this Agreement pursuant to Section 5.1.1.

“Annual Forecast” is defined in Section 5.3.

“Annual Loss of Net Generation Value” will mean the difference between the monetary value in dollars of the average annual simulated electric generation of the UARP as a whole operating under (i) the Original License (Base Case relicensing conditions), and (ii) any New License, such simulations using the CHEOPS Model and hydrologic data for the period 1976-2000, and such values being calculated using commonly referenced forward wholesale electric market prices for NP15 the following calendar year.

“Annual Surcharge” is defined in Sections 8.1.3(b) and 8.1.3(c).

“Annual Value of Foregone Power” is defined in Section 8.1.3(a).

“Carryover Storage” will mean water that has been delivered to storage in one calendar year for delivery from such storage in any subsequent calendar year.

“CEQA” will mean the California Environmental Quality Act, as amended from time to time.

“City” will mean the City of Sacramento.

“County” will mean the County of El Dorado.

“Critically Dry Condition”. A Critically Dry Condition is declared when a forecast or estimate of actual runoff shows the total water year unimpaired runoff at the American River below Folsom Lake to be less than or equal to 900,000 acre-feet. The declaration is triggered when any of the February 1, March 1, April 1, or May 1 California Department of Water Resources (CDWR) median (expected) forecasts for total water year unimpaired runoff at the American River below Folsom Lake indicate water year totals at or below this threshold. An additional trigger is the water year-end (October 1)

estimate by CDWR of the unimpaired flow of the American River below Folsom Lake. A Critically Dry Condition if triggered, is declared upon publication of the CDWR forecast/estimate, and remains in place until the next published forecast/estimate changes that declaration. (An October 1 declaration is in effect until publishing of the next February 1 forecast.)

“Current Relicensing Process” is defined in Recital L.

“Daily Net Storage” will mean the combined storage volume of SMUD’s Loon Lake, Ice House, and Union Valley Reservoirs, less any Carryover Storage, computed daily.

“Daily Net Storage Threshold” will mean the amount of water that must be in active storage for SMUD in SMUD’s Loon Lake Reservoir, Ice House Reservoir and Union Valley Reservoir at the beginning of the second year of the most critically dry period of record (as of the Effective Date of this Agreement, the 1976-77 water years).

“Delivery Initiation Notice” is defined in Section 5.2.1.

“Delivery Invoice” is defined in Section 8.2.2.

“EDCWA” will mean El Dorado County Water Agency.

“EDWPA” is defined in Recital B.

“Effective Date” is defined in the introductory paragraph.

“EID” will mean the El Dorado Irrigation District, a special district organized in 1925 and existing under the Irrigation District Law (Cal. Wat. Code, § 20500 et seq.) and authorizing statutes (Cal. Wat. Code, § 22975 et seq.).

“El Dorado Designated Representative” is defined in Section 19.1.

“El Dorado Parties” will mean, collectively, El Dorado County, the El Dorado County Water Agency, the El Dorado Water and Power Authority, the El Dorado Irrigation District, and the Georgetown Divide Public Utility District.

“El Dorado Parties Emergency Condition” will mean a condition beyond the El Dorado Parties’ control (other than that caused by water year type) resulting from a sudden occurrence such as a storm, flood, fire, or an unexpected equipment outage which affects the El Dorado Parties’ water diversion, storage, or delivery system and impairs the El Dorado Parties’ ability to make water deliveries, and which is declared by resolution of, or pursuant to a procedure adopted by, resolution of the El Dorado Parties, governing board.

“El Dorado Water” is defined in Section 6.1.

“FERC” will mean the Federal Energy Regulatory Commission or any successor.

“Flow-Related PM&E Measures” will mean any PM&E measure imposed in the New License that will affect Net Generation Value, including, but not limited to, measures setting reservoir storage levels, minimum streamflows, and recreation streamflows.

“Full Capacity” will mean the full capacity of the Ice House, Loon Lake, and Union Valley Reservoirs, and will be 340,000 acre-feet, or less if changed by SMUD.

“GDPUD” will mean Georgetown Divide Public Utility District, a public utility district created under the Public Utility District Act in 1946.

“Governmental Entity” will mean any government, or any agency, bureau, board, commission, court, department, official, political subdivision, tribunal, or other instrumentality of such government, whether federal, state, or local.

“Impacts” are defined in Recital M.

“Iowa Hill Annual Payment” is defined in Section 4.3.2.

“Iowa Hill Development” will mean the proposed pump storage project on Iowa Hill adjacent to the existing Slab Creek reservoir within the UARP, and more particularly described in that certain document entitled “Iowa Hill Pumped Storage Development Project Description.”

“ISO” will mean the California Independent System Operator.

“Major or Material Amendments” will have the definition given them in section 4.35(f) of the Federal Power Act.

"Neutral County" is any county in which none of SMUD or any of the El Dorado Parties has physical facilities or provides services.

“New License” is defined in Recital L. The New License will be considered to have been issued, for the purposes of Section 13.6.1 of this Agreement, upon the exhaustion of all rights of appeal under the provisions of Section 313 of the Federal Power Act and/or state law provisions governing appeals of conditions of a Clean Water Act 401 certification and/or an NPDES permit.

“Notice of Re-opener” is defined in Section 13.1.1.

“Original License” is defined in Recital L.

“Payment Year” is defined in Section 8.2.1.

“PM&E Measures” will mean those measures included by FERC in any New License to protect, mitigate and enhance those facilities or resources impacted by the existence and operation of the UARP.

“Project” will have the meaning attributed to it under the California Environmental Quality Act.

“Seasonal Storage” will mean storage used by SMUD within a calendar year for purposes of making Annual Deliveries to the El Dorado Parties or deliveries to Carryover Storage during the last quarter of any calendar year.

“SFAR Delivery Point” will mean the point in the South Fork of the American River immediately below the discharge point from the White Rock Powerhouse.

“Slab Creek Reservoir Minimum Operating Level” is defined in Section 5.8.2.

“SMUD” will mean Sacramento Municipal Utility District.

“SMUD Emergency Condition” will mean a condition on or affecting SMUD’s operations (other than that caused by water year type), declared in accordance with SMUD’s established practices such that its UARP operations are significantly impacted and SMUD’s ability to make deliveries to the El Dorado Parties is restricted or eliminated. Such emergency conditions include, but are not limited to, any of the following types of events: (i) an order of any Governmental Entity or court that (a) prevents SMUD from releasing water from its reservoirs for purposes of power generation or delivery of water supply, or (b) requires SMUD to release water from its reservoirs under conditions which preclude deliveries to the El Dorado Parties; and (ii) a failure of one or more of the major UARP Facilities due to any cause (act of nature or man) that restricts SMUD’s ability to deliver water to the El Dorado Parties requiring either a complete curtailment or a limit upon deliveries to the El Dorado Parties.

“Subsequent New License” is defined in Recital L.

“Subsequent Relicensing Process” is defined in Recital L.

“SWRCB” will mean the State Water Resources Control Board or a successor agency.

“Term” is defined in Section 1.2.

“UARP” will mean the Upper American River Project.

“UARP Facilities” is defined in Recital H.

“Unusable Storage Level” will mean the storage volume of SMUD’s Loon Lake, Ice House and Union Valley Reservoirs at the level below which plant intake structures are

considered to be no longer physically capable of withdrawing water from such reservoirs. The Unusable Storage Level will be at least 50,000 acre-feet, and may vary seasonally due to the impact of winter conditions on intake structures.

“Water Forum” will mean that group of parties signatory to The Water Forum Agreement.

“White Rock Delivery Point” will mean the existing 36-inch branch outlet constructed on the White Rock Penstock.

EXHIBIT “E”

SCHEDULING REQUIREMENTS

The El Dorado Parties must schedule hourly water deliveries with SMUD by 10:00 a.m. on the business day prior to the Pre-scheduling Day as defined by Western Electricity Coordinating Council (WECC) Protocols.¹ For example, typical Pre-scheduling Days will conform to the following:

- (i) Sunday, Monday – the Pre-scheduling Day is Friday, therefore, the El Dorado Parties must schedule its hourly water deliveries for Sunday and Monday by 10:00 a.m. on Thursday.
- (ii) Tuesday - the Pre-scheduling Day is Monday, therefore, the El Dorado Parties must schedule its hourly water deliveries for Tuesday by 10:00 a.m. on Friday.
- (iii) Wednesday – the Pre-scheduling Day is Tuesday, therefore, the El Dorado Parties must schedule its hourly water deliveries for Wednesday by 10:00 a.m. on Monday.
- (iv) Thursday – the Pre-scheduling Day is Wednesday, therefore, the El Dorado Parties must schedule its hourly water deliveries for Thursday by 10:00 a.m. on Tuesday.
- (v) Friday, Saturday – the Pre-scheduling Day is Thursday, therefore, the El Dorado Parties must schedule its hourly water deliveries for Friday and Saturday by 10:00 a.m. on Wednesday.
- (vi) Holidays and WECC Meeting Dates – the Pre-scheduling Day is two or more business days in advance of the holiday or WECC meeting date, therefore, the El Dorado Parties must schedule its hourly water deliveries for Holidays or WECC meeting dates, three or more business days in advance of such date.

¹ The “Pre-scheduling Days” are defined on an annual basis by the WECC, taking into account holidays, weekends and WECC meetings that need to be considered to coordinate scheduling activities in the region.

EXHIBIT “F”

PRICING CALCULATIONS AND COMPONENTS

1. The Annual Value of Foregone Power is the sum of the 365 Daily Values of Foregone Power calculated using the following formula:

$$105\% \times \{(\text{Daily Power Price Index}) \times (\text{White Rock Powerhouse Water Duty}) \times (\text{Quantity of water delivered at the White Rock Delivery Point})\}$$

based on the following components:

- a) The Daily Power Price Index to be utilized throughout any given year will be:
- January through April: Dow Jones NP15 Day-Ahead On-Peak Index, in \$/MWh
 - May through September: Weighted average of Dow Jones NP15 Day-Ahead On-Peak and Off-Peak Indices, in \$/MWh
 - October through December: Dow Jones NP15 Day-Ahead On-Peak Index, in \$/MWh
- b) The White Rock Powerhouse Water Duty is deemed to be 0.7 MWh/af.
- c) The ISO fee factor is deemed to be a 5% adder.

2. The Annual Surcharge for Seasonal Storage is the sum of the 92 Daily Surcharges for Seasonal Storage calculated using the following formula:

$$105\% \times (0.25 \times \text{Daily Power Price Index}) \times \{(\text{Cumulative Powerhouse Water Duty for the White Rock Delivery Point}) \times (\text{Quantity of water delivered daily at the White Rock Delivery Point}) + (\text{Cumulative Powerhouse Water Duty for the SFAR Delivery Point}) \times (\text{Quantity of water delivered daily at the SFAR Delivery Point})\}$$

based on the following components:

- a) The Daily Power Price Index will be the Dow Jones NP15 Day-Ahead On-Peak Price expressed in \$/MWh. The factor to cover the Daily Power Price Index is deemed to be 25%.
- b) The Cumulative Powerhouse Water Duty for the White Rock Delivery Point is deemed to be 3.0 MWh/af.

- c) The Cumulative Powerhouse Water Duty for the SFAR Delivery Point is deemed to be 3.7 MWh/af.
- d) The ISO fee factor is deemed to be a 5% adder.

3. The Annual Surcharge for Carryover Storage is the sum of the Daily Surcharge for Carryover Storage for all the days within the year in which Carryover Storage is delivered to the El Dorado Parties. The Daily Surcharge for Carryover Storage will be calculated, under the following conditions, using the following formulas:

3.1 For any deliveries from Carryover Storage when the conditions in Exhibit “H”, Section 2.ii. are in effect:

$$105\% \times (0.30 \times \text{Daily Power Price Index}) \times \{(\text{Cumulative Powerhouse Water Duty for the White Rock Delivery Point}) \times (\text{Quantity of water delivered daily at the White Rock Delivery Point from Carryover Storage}) + (\text{Cumulative Powerhouse Water Duty for the SFAR Delivery Point}) \times (\text{Quantity of water delivered daily at the SFAR Delivery Point from Carryover Storage})\}$$

3.2 For any deliveries from Carryover Storage when the conditions in Exhibit “H”, Section 3.ii.b.(i) are in effect:

$$105\% \times (0.40 \times \text{Daily Power Price Index}) \times \{(\text{Cumulative Powerhouse Water Duty for the White Rock Delivery Point}) \times (\text{Quantity of water delivered daily at the White Rock Delivery Point from Carryover Storage}) + (\text{Cumulative Powerhouse Water Duty for the SFAR Delivery Point}) \times (\text{Quantity of water delivered daily at the SFAR Delivery Point from Carryover Storage})\}$$

3.3 For any deliveries from Carryover Storage when the conditions in Exhibit “H”, Section 3.ii.b.(ii) are in effect:

$$105\% \times (0.45 \times \text{Daily Power Price Index}) \times \{(\text{Cumulative Powerhouse Water Duty for the White Rock Delivery Point}) \times (\text{Quantity of water delivered daily at the White Rock Delivery Point from Carryover Storage}) + (\text{Cumulative Powerhouse Water Duty for the SFAR Delivery Point}) \times (\text{Quantity of water delivered daily at the SFAR Delivery Point from Carryover Storage})\}$$

3.4 For any deliveries from Carryover Storage when the conditions in Exhibit “H”, Section 3.ii.b.(iii) are in effect:

$$105\% \times (0.50 \times \text{Daily Power Price Index}) \times \{(\text{Cumulative Powerhouse Water Duty for the White Rock Delivery Point}) \times (\text{Quantity of water delivered daily at the White Rock Delivery Point from Carryover Storage}) + (\text{Cumulative Powerhouse Water Duty for the SFAR Delivery Point}) \times (\text{Quantity of water delivered daily at the SFAR Delivery Point from Carryover Storage})\}$$

(Quantity of water delivered daily at the White Rock Delivery Point from Carryover Storage) + (Cumulative Powerhouse Water Duty for the SFAR Delivery Point) x (Quantity of water delivered daily at the SFAR Delivery Point from Carryover Storage)}

based on the following components:

- a) The Daily Power Price Index to be utilized throughout any given year will be:
 - January through April: Dow Jones NP15 Day-Ahead On-Peak Index, in \$/MWh
 - May through September: Weighted average of Dow Jones NP15 Day-Ahead On-Peak and Off-Peak Indices, in \$/MWh
 - October through December: Dow Jones NP15 Day-Ahead On-Peak Index, in \$/MWh
- b) The Cumulative Powerhouse Water Duty for the White Rock Delivery Point is deemed to be 3.0 MWh/af.
- c) The Cumulative Powerhouse Water Duty for the SFAR Delivery Point is deemed to be 3.7 MWh/af.
- d) The ISO fee factor is deemed to be a 5% adder.

EXHIBIT "G"

SOURCE FOR EL DORADO PARTIES WATER RIGHT; PROCEDURES

1. (a) The El Dorado Parties first will enter into good faith negotiations with the City of Sacramento in order to consummate a partial transfer or assignment from the City of Sacramento of the City's water right permits numbered 11359 and 11360. The El Dorado Parties will be deemed to have satisfied its good faith obligation with regard to the City once it has engaged in diligent negotiations for a period extending through July 31, 2006.

(b) Any partial transfer or assignment will include a provision by which the City waives any claim to water stored or delivered by SMUD to the El Dorado Parties under this Agreement and any claim the City may have against SMUD respecting such storage or delivery. SMUD, if requested by the City, will contemporaneously release City of any obligation to SMUD to use such water to provide service to SMUD's customers in SMUD's service area, as it now exists or may be enlarged. The El Dorado Parties will have sole and complete discretion as to the acceptability of the terms of any transfer or assignment resulting from its negotiations with the City.

(c) If an agreement is reached as specified in section 1 (a) and the requirements of (b) and Section 6.3 have been met, the El Dorado Parties will seek modification of the transferred or assigned permits by the SWRCB to the extent necessary for the El Dorado Parties to exercise its rights under this Agreement, and SMUD will file such documents with the SWRCB as the El Dorado Parties may reasonably request advising the SWRCB that SMUD supports such modification.

2. (a) If the El Dorado Parties are not successful in obtaining a transfer or assignment from the City, the El Dorado Parties may seek to obtain any or all of the following water rights (i) a new appropriation of American River water under applicable law, (ii) a partial assignment of state-filed applications nos. 5644, 5645, 7937, 7939, 18063, 18065, 18067, 18069, 18071, and 18072, so modified by the SWRCB to the extent necessary for the El Dorado Parties to exercise its rights under this Agreement, and (iii) any other means available under applicable law. The conditions specified in (b) through (e) will apply in such event, in addition to those specified in the last sentence of 1 above and in Section 6.3.

(b) Any water rights obtained under Section 2 must (i) contain provisions relating to diversion, rediversion, storage, purpose of use, and place of use sufficient for purposes of this Agreement and to allow water to be used within the UARP system between the point of initial introduction into the UARP system until the water is delivered by SMUD from the UARP to the El Dorado Parties under this Agreement; (ii) specify as points at which water is initially diverted into the UARP system only those points at which SMUD is then diverting or rediverting water into the UARP system; and (iii) authorize seasonal or carry-over storage only at Loon Lake, Union Valley, and Ice House Reservoirs. To the extent the El Dorado Parties secures source(s) of supply other than by means of an assignment or transfer from the City of Sacramento and the water source enters the UARP at locations downstream of the Loon Lake, Union Valley, and Ice

House Reservoirs, then SMUD's obligation to store water from the identified source for the benefit of the El Dorado Parties will be reduced proportionately.

(c) Subject to (e) below, SMUD will take no position either in favor of or against the granting of a water right to the El Dorado Parties by the SWRCB as specified herein.

(d) SMUD is free to participate in the SWRCB proceeding to the extent SMUD believes its interests may be prejudiced by any interpretation advanced by the El Dorado Parties of law, SMUD's water rights, or the El Dorado Parties' water rights.

(e) To the extent that the El Dorado Parties secure a source of water other than an assignment/transfer from the City of Sacramento, the El Dorado Parties agree to defend SMUD and hold SMUD harmless against any claim by the City of Sacramento that SMUD's performance under this Agreement breaches any implied or express contractual obligation of SMUD to the City under its assignment agreement with the City.

3. Any SWRCB order or permit that authorizes storage, conveyance, or diversion of water in, through, or from UARP facilities pursuant to water rights that the El Dorado Parties obtains under Section 1. or 2. and that is issued prior to the time specified in this Agreement for SMUD to exercise its right of reopener under Section 13.6 will contain the following conditions, to become effective if the El Dorado Parties terminate this Agreement under Section 17.3.3.

(a) The El Dorado Parties' right to directly divert 30,000 afy (40,000 afy after 2025) from White Rock Penstock or Slab Creek Reservoir will continue to be in full force and effect.

(b) Any provision authorizing storage or any other diversion will continue in force or terminate as specified in (i) through (iii) following.

(i) If the El Dorado Parties believe they presently have the legal right (by contract or otherwise) to use UARP facilities for purposes beyond those specified in (a), within 30 days of giving notice of termination, the El Dorado Parties will provide SMUD with a reasonably detailed statement of the basis for such legal right, and within 30 days thereafter SMUD and the El Dorado Parties will confer on the matter.

(ii) If SMUD and the El Dorado Parties do not reach agreement within the 30-day period, the El Dorado Parties may file a declaratory relief action respecting their claimed rights in the Superior Court of a Neutral County.

(iii) If the El Dorado Parties and SMUD reach agreement or the El Dorado Parties commence a declaratory relief action within 90 days of its termination notice, the SWRCB will modify the order or permit to conform to the agreement between the El Dorado Parties and SMUD or to any final judgment in the declaratory relief action; otherwise the provision will terminate. The termination of the provision, however, will be without prejudice to any right of the El Dorado

Parties to obtain, and any right of SMUD to oppose, similar authorization as if the Agreement had never existed.

EXHIBIT “H”

DELIVERY CONSTRAINTS

1. During a SMUD Emergency Condition, SMUD will be excused from making Annual Deliveries or from delivering the El Dorado Parties water from Carryover Storage to the El Dorado Parties for the period and to the extent such deliveries are precluded by the emergency condition.
2. On any given day when the Daily Net Storage is greater than 150,000 af, the following conditions apply:
 - i. During times when neither a Critically Dry Condition nor a SMUD Emergency Condition has been declared:
 - a. The El Dorado Parties may continue to receive Annual Deliveries up to a combined maximum of 30,000 afy.
 - b. The El Dorado Parties may not receive deliveries from the El Dorado Parties Carryover Storage.
 - ii. During times when a Critically Dry Condition or an El Dorado Parties Emergency Condition has been declared:
 - a. The El Dorado Parties may continue to receive Annual Deliveries up to a combined maximum of 30,000 afy.
 - b. The El Dorado Parties may receive deliveries from the El Dorado Parties Carryover Storage.
 - c. The sum of the El Dorado Parties Annual Deliveries and deliveries from the El Dorado Parties Carryover Storage may not exceed 35,000 afy.
3. On any given day when the Daily Net Storage is greater than the Unusable Storage Level and less than or equal to 150,000 af, the following constraints apply:
 - i. During times when neither a Critically Dry Condition nor a SMUD Emergency Condition have been declared:
 - a. The El Dorado Parties may continue to receive Annual Deliveries up to a combined maximum of 30,000 afy.
 - b. The El Dorado Parties may not receive deliveries from the El Dorado Parties Carryover Storage unless an El Dorado Parties Emergency Condition has also been declared.

ii. During times when a Critically Dry Condition has been declared, the following restrictions on deliveries of water to the El Dorado Parties will apply:

a. Annual Deliveries - There will be no Annual Deliveries at the White Rock Takeout, but Annual Deliveries will continue to be permitted to the SF American River Delivery Point on the same basis as in non-critically dry years, subject to the following conditions:

(i) SMUD acting in its absolute discretion has first discharged the water through and/or around its White Rock Powerhouse;

(ii) Such water is within the quantity scheduled by the El Dorado Parties for delivery during the January 1 through September 30 period;

(iii) Such water was scheduled for delivery prior to the beginning of the year of delivery or within 30 days after declaration of the Critically Dry Condition.

b. Carryover Storage - The maximum amount of deliveries to the El Dorado Parties from Carryover Storage specified in B.1 will be modified as follows:

	<u>Net Daily Storage</u>	<u>Maximum Delivery</u>
(i)	125,000-150,000 af	15,000 afy
(ii)	100,000 – 125,000 af	7,500 afy
(iii)	Less than 100,000 af	5,000 afy

At such time as a Critically Dry Year declaration is lifted, delivery of water to the El Dorado Parties from Carryover Storage will continue to be limited as specified above until Daily Net Storage is once again greater than 150,000 af.

4. If the Daily Net Storage drops to the Unusable Storage Level or less, withdrawal of any remaining El Dorado Parties Carryover Storage will be suspended until Daily Net Storage returns to 90% of the Full Capacity of the three reservoirs noted in Section A.3 (340,000 af), at which time the remaining amount of the El Dorado Parties Carryover Storage will be reinstated.

EXHIBIT “I”

SOCIOECONOMIC ASSESSMENT METHODOLOGY

Guidelines for Calculation and Mitigation of Socioeconomic Impacts of Iowa Hill Project

1. *Purpose.* SMUD and the El Dorado Parties disagree regarding whether the construction of the Iowa Hill project has the potential to cause negative socioeconomic impacts in the Iowa Hill area. Given the uncertainties surrounding the potential for and magnitude and duration of these impacts, SMUD and the El Dorado Parties agree to form a study panel to assess these impacts according to the guidelines described herein. Assessed impacts will form the basis for SMUD liability for socioeconomic impacts, subject to payment caps described herein.

2. *Panel Composition and Financing.* The study panel will be comprised of three members. SMUD and the El Dorado Parties will each appoint one member. The third member will be appointed by mutual consent of the first two panel members.

SMUD and the El Dorado Parties collectively will each cover the costs of its representative. Costs for the third member will be borne equally by SMUD and the El Dorado Parties. The total cost SMUD spent on its representative and the third member will be capped at \$50,000. Any additional amount spend beyond this cap will be deducted from the EDC payment cap described in Section 5 below.

3. *Timeline.* The SMUD and the El Dorado Parties’ representatives will be appointed no later than three months prior to the anticipated completion of Iowa Hill Pumped Storage Project construction. Within two months of such appointment, these representatives will select a third panel member.

The panel will complete its calculation of socioeconomic impacts and submit its findings on traffic, business and the then-available aesthetic impacts in a final report within three months of completion of construction of the Iowa Hill project. If necessary, business and aesthetic impacts may be measured up to five years from the completion of construction of the Iowa Hill project, as described herein. The panel will complete this additional business and aesthetic impacts calculation and submit its findings no later than sixty-three months after the completion of construction of the Iowa Hill project.

4. *Method for Calculation of Impacts.* The panel will consider three types of socioeconomic impacts of construction of the Iowa Hill project: traffic congestion caused by construction of the project, business impacts, and aesthetic impacts. The panel will adhere to the following guidelines in its assessment of socioeconomic impacts:

a) **Traffic Congestion: Mitigation Measured During Construction Period**

Roads and road segments potentially affected by construction of the Iowa Hill project are defined in Attachment A (TBD).

In determining the effect of Iowa Hill construction on traffic congestion, the panel will consider the following, non-exclusive set of parameters:

- Relevant average rate of travel for the roads and road segments identified in Attachment A for weekdays vs. weekend and for various seasons. This average rate of travel will be measured periodically (a) prior to the commencement of Iowa Hill Project construction to develop baseline conditions and (b) for coincident periods during the actual period of construction.
- The lengths of affected roads and road segments.
- Relevant average car trips per day on potentially affected roads and road segments for weekdays vs. weekend and for various seasons.
- Average hourly wage rate in El Dorado County deemed to be \$15/hour.
- Effect on road congestion of other economic activities that may cause baseline average rate of travel measurements to be inaccurate.

Rates of travel prior to and during construction of the Iowa Hill project on affected roads and road segments will be measured seasonally during peak travel times, and on weekend afternoons. Measurements of rates of travel will be taken according to a method to be developed by SMUD and EDC staff within 90 days of SMUD's decision to undertake the Iowa Hill project. The El Dorado Parties collectively and SMUD will share equally in the costs of collecting annual estimates of rates of travel on affected roads. SMUD's share of these measurement costs does not count towards the \$2 million cap set forth in Section 5 below.

Traffic impacts will be calculated by the panel post-construction. Total annual traffic congestion impacts for each affected road segment are the sum of weekday and weekend impacts for the various seasons. Total traffic congestion impacts are determined by summing annual impacts for each affected road segment over the years of construction and the affected road segments.

b) Business Impacts: Mitigation Measured Post-Construction

Business impacts will be measured as the change in sales revenue experienced by a defined set of potentially affected businesses in El Dorado County resulting from construction of the Iowa Hill project. Potentially affected businesses are defined as those a) in existence at the commencement of construction of the Iowa Hill project and b) within the Apple Hill Agricultural Area (AHAA) as described in Attachment B (TBD).

SMUD's payment for business impacts will be calculated as the difference in cumulative annual sales over the period of construction that is most likely attributable to construction of Iowa Hill.

In determining the effect of Iowa Hill construction on AHAA sales revenues, the panel will consider the following, non-exclusive set of parameters:

- Relevant average actual sales revenue data (based on the county sales tax receipts and other sources) from the AHAA for (a) the 5 years prior to the commencement of Iowa Hill Project construction and (b) the actual period of construction.
- The typical percentage of business allocated for weekdays vs. weekend and harvest vs. non-harvest seasons, and the frequency of construction-related road congestion during these periods.
- Road usage by construction crews and input suppliers that are coincidental to the typical business hours of the AHAA.
- Sales trends for comparable businesses in other similar areas of California.
- Trends in bearing acreage of wine grapes, apples and other crops in the AHAA.

If necessary, business impacts will also be measured five years after completion of the Iowa Hill project. This second round of analysis may be needed to assess lingering effects on AHHA businesses caused by changes in consumer habits or other intertemporal factors.

c) Aesthetic Impacts: Mitigation Measured Post-Construction

Aesthetic impacts may result from construction of Iowa Hill. While owners of real property in areas with a view of the Iowa Hill Reservoir may experience these losses, the potential realized financial loss would be deemed to have occurred if an affected home is actually sold during the actual construction period. These potentially affected homes are identified in Attachment C (TBD).

Aesthetic losses will be measured as the change in actual property sales values resulting from construction of the Iowa Hill project. In estimating the change in actual property sales values, the panel will determine the ratios of average home sales prices of the affected Iowa Hill Area vs. the average home sales prices of similar areas in El Dorado County for (a) the 5 years prior to the commencement of Iowa Hill Project construction, (b) the actual construction period and (c) the 5-year period after completion of construction.

SMUD's liability for aesthetic impacts is the sum of the loss in value for each home sold during the period of construction and a period of 5 years after completion of construction.

5. Mitigation Fund Payment Cap and Payment Schedule. SMUD will pay to the El Dorado Parties an amount equal to the measured socioeconomic losses determined in Section 4 as calculated by the panel ("Iowa Hill Measured Impacts Payments"), but not to exceed \$2 million cap. Such payment shall be paid by SMUD to the El Dorado Parties no later than 90 days after the issuance of the final report by the panel.

If SMUD's payment is less than the \$2 million, then SMUD will pay to the El Dorado Parties the lesser of (a) an amount equal to the additional business and aesthetic impact for the 5-year period after completion of construction of the Iowa Hill project and (b) the difference between \$2 million and the SMUD payment previously made. Such payment under this paragraph will be

paid by SMUD to the El Dorado Parties no later than 90 days after the issuance of the additional report by the Panel.

In no event will SMUD's total payment for this Mitigation Fund, including those panel fees paid under Section 2 in excess of \$50,000, exceed a \$2 million cap.

6. Additional Mitigation and Measures Undertaken to Avoid Socioeconomic Impacts

SMUD's cost of undertaking mitigation identified in this section is in addition to the \$2 million cap set forth in Section 5 above.

SMUD will agree to repair any road segment damaged by construction related traffic. All roads and road segments identified in Attachment A will be videotaped before and after construction to determine the scope of repair required.

SMUD will undertake measures to mitigate or minimize the visual impact of the Iowa Hill reservoir and accompanying facilities. Such measures generally include minimization of the introduction of new landscape features, relocation of facilities to minimize visual impacts, elimination of the need for new landscape features, reduction of color contrasts of the upper reservoir berm and transmission lines, limitation of the visible features of the Iowa Hill project to four primary features: the upper reservoir berm, the generation tie line, the switchyard, and the portal entrance to the powerhouse tunnel.

MAR 06 2006

20.6.1.1



United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, California 95825-1898

IN REPLY
REFER TO:

FEB 28 2006

MP-440
WTR-4.00

Ms. Ane Deister
Manager-Secretary
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

Subject: Long-Term Renewal Contract No. 14-06-200-1357A-LTR1 Between the United States and the El Dorado Irrigation District Providing for Project Water Service From the Delta Division - Central Valley Project, California

Dear Ms. Deister:

Enclosed is an executed original of the subject contract for your records. This contract is effective March 1, 2006, through February 28, 2046. The Bureau of Reclamation appreciates the effort expended by the El Dorado Irrigation District and its representatives relative to this contract.

If there are any questions, please contact Mr. Emmett Cartier, Repayment Specialist, at 916-989-7221 (TDD 989-7285).

Sincerely,


Kirk C. Rodgers
Regional Director

Enclosure

cc: Mr. Thomas D. Cumpston
General Counsel
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667

M&I Only
Contract No.
14-06-200-1357A-LTR1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

LONG-TERM RENEWAL CONTRACT BETWEEN THE UNITED STATES
AND
EL DORADO IRRIGATION DISTRICT
PROVIDING FOR PROJECT WATER SERVICE
FROM THE AMERICAN RIVER DIVISION

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Exhibit A - Map of Contractor's Service Area

Exhibit B - Rates and Charges

1 UNITED STATES
2 DEPARTMENT OF THE INTERIOR
3 BUREAU OF RECLAMATION
4 Central Valley Project, California

5 LONG-TERM RENEWAL CONTRACT BETWEEN THE UNITED STATES
6 AND
7 EL DORADO IRRIGATION DISTRICT
8 PROVIDING FOR PROJECT WATER SERVICE
9 FROM AMERICAN RIVER DIVISION

10 THIS CONTRACT, made this 28 day of February, 2006, in
11 pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or
12 supplementary thereto, including, but not limited to, the Acts of August 26, 1937 (50 Stat. 844),
13 as amended and supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented,
14 July 2, 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263),
15 October 27, 1986 (100 Stat. 3050), as amended, and Title XXXIV of the Act of October 30, 1992
16 (106 Stat. 4706), all collectively hereinafter referred to as Federal Reclamation law, between
17 THE UNITED STATES OF AMERICA, hereinafter referred to as the United States, and
18 EL DORADO IRRIGATION DISTRICT, hereinafter referred to as the Contractor, a public
19 agency of the State of California, duly organized, existing, and acting pursuant to the laws
20 thereof;

21 WITNESSETH, That:

22 EXPLANATORY RECITALS

23 [1st] WHEREAS, the United States has constructed and is operating the Central Valley
24 Project (Project), California, for diversion, storage, carriage, distribution and beneficial use, for

25 flood control, irrigation, municipal, domestic, industrial, fish and wildlife mitigation, protection
26 and restoration, generation and distribution of electric energy, salinity control, navigation and
27 other beneficial uses, of waters of the Sacramento River, the American River, the Trinity River,
28 and the San Joaquin River and their tributaries; and

29 [2nd] WHEREAS, the United States constructed Folsom Dam and Reservoir,
30 hereinafter collectively referred to as the American River Division facilities, which will be used
31 in part for the furnishing of water to the Contractor pursuant to the terms of this Contract; and

32 [3rd] WHEREAS, the rights to Project Water were acquired by the United States
33 pursuant to California law for operation of the Project; and

34 [4th] WHEREAS, the Contractor and the United States entered into Contract
35 No. 14-06-200-1357A, as amended, which established terms for the delivery to the Contractor of
36 Project Water from the American River Division from January 1, 1965, through December 31,
37 2004, to the El Dorado Hills area (hereinafter referred to as the El Dorado Hills contract); and

38 [4.1] WHEREAS, the County of El Dorado and the United States entered into Contract
39 No. 14-06-200-7312A, dated July 25, 1958, which established terms for the delivery to the
40 Contractor of Project Water from the American River Division through October 31, 1999, to the
41 Lake Hills Estate area (hereinafter referred to as the Lake Hills Estates contract); and

42 [4.2] WHEREAS, the County of El Dorado officially assigned the Lake Hills Estates
43 contract to the Contractor on December 18, 1973, with the approval of the United States; and

44 [5th] WHEREAS, the Contractor and the United States have pursuant to subsection
45 3404(c)(1) of the Central Valley Project Improvement Act (CVPIA), subsequently entered into
46 interim renewal contracts identified as Contract Nos. 14-06-200-7312A-IR1, 14-06-200-7312A-
47 IR2, 14-06-200-7312A-IR3, 14-06-200-7312A-IR4, 14-06-200-7312A-IR5, 14-06-200-7312A-
48 IR6, and 14-06-200-7312A-IR7, the current of which is hereinafter referred to as the Existing
49 Contract, which provided for the continued water service to the Contractor from March 1, 2004,
50 through February 29, 2006; and

51 [5.1] WHEREAS, Article 3(h) of Contract No. 14-06-200-7312A-IR2 states that the
52 El Dorado Hills and Lake Hills Estates contracts will be fully integrated into one long-term
53 renewal contract; and

54 [6th] WHEREAS, Section 3404(c) of the CVPIA provides for long-term renewal of
55 Existing Contracts following completion of appropriate environmental documentation, including
56 a programmatic environmental impact statement (PEIS) pursuant to the National Environmental
57 Policy Act (NEPA), analyzing the direct and indirect impacts and benefits of implementing the
58 CVPIA and the potential renewal of all existing contracts for Project Water; and

59 [6.1] WHEREAS, the Contracting Officer and the Contractor are entering into this
60 contract pursuant to Subsection 3404(c)(3) of the CVPIA; and

61 [7th] WHEREAS, the United States has completed the PEIS and all other appropriate
62 environmental review necessary to provide for long-term renewal of the El Dorado Hills and
63 Lake Hills Estates contracts; and

64 [8th] WHEREAS, the Contractor has requested the long-term renewal of the El Dorado
65 Hills and Lake Hills Estates contracts, pursuant to the terms of these contracts, Federal
66 Reclamation law, and the laws of the State of California, for water service from the Project; and

67 [9th] WHEREAS, the United States has determined that the Contractor has fulfilled all
68 of its obligations under the El Dorado Hills and Lake Hills Estates contracts; and

69 [10th] WHEREAS, the Contractor has demonstrated to the satisfaction of the
70 Contracting Officer that the Contractor has utilized the Project Water supplies available to it for
71 reasonable and beneficial use and/or has demonstrated projected future demand for water use
72 such that the Contractor has the capability and expects to utilize fully for reasonable and
73 beneficial use the quantity of Project Water to be made available to it pursuant to this Contract;
74 and

75 [11th] WHEREAS, water obtained from the Project has been relied upon by urban and
76 agricultural areas within California for more than 50 years, and is considered by the Contractor
77 as an essential portion of its water supply; and

78 [12th] WHEREAS, the economies of regions within the Project, including the
79 Contractor's, depend upon the continued availability of water, including water service from the
80 Project; and

81 [13th] WHEREAS, the Secretary of the Interior (Interior) intends through coordination,
82 cooperation, and partnerships to pursue measures to improve water supply, water quality, and
83 reliability of the Project for all Project purposes; and

84 [14th] WHEREAS, the mutual goals of the United States and the Contractor include: to
85 provide for reliable Project Water supplies; to control costs of those supplies; to achieve
86 repayment of the Project as required by law; to guard reasonably against Project Water
87 shortages; to achieve a reasonable balance among competing demands for use of Project Water;
88 and to comply with all applicable environmental statutes, all consistent with the legal obligations
89 of the United States relative to the Project; and

90 [15th] WHEREAS, the parties intend by this Contract to develop a more cooperative
91 relationship in order to achieve their mutual goals; and

92 [16th] WHEREAS, the United States and the Contractor are willing to enter into this
93 Contract pursuant to Federal Reclamation law on the terms and conditions set forth below;

94 NOW, THEREFORE, in consideration of the mutual and dependent covenants herein
95 contained, it is hereby mutually agreed by the parties hereto as follows:

96 DEFINITIONS

97 1. When used herein unless otherwise distinctly expressed, or manifestly
98 incompatible with the intent of the parties as expressed in this Contract, the term:

99 (a) "Calendar Year" shall mean the period January 1 through December 31,
100 both dates inclusive;

101 (b) "Charges" shall mean the payments required by Federal Reclamation law
102 in addition to the Rates and Tiered Pricing Component specified in this Contract as determined
103 annually by the Contracting Officer pursuant to this Contract;

104 (c) "Condition of Shortage" shall mean a condition respecting the Project
105 during any Year such that the Contracting Officer is unable to deliver sufficient water to meet the
106 Contract Total;

107 (d) "Contracting Officer" shall mean the Secretary's duly authorized
108 representative acting pursuant to this Contract or applicable Federal Reclamation law or
109 regulation;

110 (e) "Contract Total" shall mean the maximum amount of water to which the
111 Contractor is entitled under subdivision (a) of Article 3 of this Contract;

112 (f) "Contractor's Service Area" shall mean the area to which the Contractor is
113 permitted to provide Project Water under this Contract as described in Exhibit "A" attached
114 hereto, which may be modified from time to time in accordance with Article 35 of this Contract
115 without amendment of this Contract;

116 (g) "CVPIA" shall mean the Central Valley Project Improvement Act,
117 Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706);

118 (h-i) Omitted;

119 (j) "Full Cost Rate" shall mean an annual rate as determined by the
120 Contracting Officer that shall amortize the expenditures for construction properly allocable to the
121 Project irrigation or municipal and industrial (M&I) functions, as appropriate, of facilities in
122 service including all operation and maintenance (O&M) deficits funded, less payments, over
123 such periods as may be required under Federal Reclamation law, or applicable contract
124 provisions. Interest will accrue on both the construction expenditures and funded O&M deficits
125 from October 12, 1982, on costs outstanding at that date, or from the date incurred in the case of
126 costs arising subsequent to October 12, 1982, and shall be calculated in accordance with

127 subsections 202(3)(B) and (3)(C) of the Reclamation Reform Act of 1982 (RRA). The Full Cost
128 Rate includes actual operation, maintenance, and replacement costs consistent with Section 426.2
129 of the Rules and Regulations for the RRA;

130 (k-l) Omitted;

131 (m) "Irrigation Water" shall mean water made available from the Project that
132 is used primarily in the production of agricultural crops or livestock, including domestic use
133 incidental thereto, and watering of livestock;

134 (n) Omitted;

135 (o) "Municipal and Industrial Water" or "M&I Water" shall mean Project
136 Water, other than Irrigation Water, made available to the Contractor. M&I Water shall include
137 water used for human use and purposes such as the watering of landscaping or pasture for
138 animals (e.g., horses) which are kept for personal enjoyment or water delivered to land holdings
139 operated in units of less than five acres unless the Contractor establishes to the satisfaction of the
140 Contracting Officer that the use of water delivered to any such landholding is a use described in
141 subdivision (m) of this Article;

142 (p) "M&I Full Cost Water Rate" shall mean the Full Cost Rate applicable to
143 the delivery of M&I Water;

144 (q) "Operation and Maintenance" or "O&M" shall mean normal and
145 reasonable care, control, operation, repair, replacement (other than capital replacement), and
146 maintenance of Project facilities;

147 (r) Omitted;

148 (s) "Project" shall mean the Central Valley Project owned by the United
149 States and managed by the Department of the Interior, Bureau of Reclamation;

150 (t) "Project Contractors" shall mean all parties who have water service
151 contracts for Project Water from the Project with the United States pursuant to Federal
152 Reclamation law;

153 (u) "Project Water" shall mean all water that is developed, diverted, stored, or
154 delivered by the Secretary in accordance with the statutes authorizing the Project and in
155 accordance with the terms and conditions of water rights acquired pursuant to California law;

156 (v) "Rates" shall mean the payments determined annually by the Contracting
157 Officer in accordance with the then-current applicable water ratesetting policies for the Project,
158 as described in subdivision (a) of Article 7 of this Contract;

159 (w) "Recent Historic Average" shall mean the most recent five-year average of
160 the final forecast of Water Made Available to the Contractor pursuant to this Contract or its
161 preceding contract(s);

162 (x) "Secretary" shall mean the Secretary of the Interior, a duly appointed
163 successor, or an authorized representative acting pursuant to any authority of the Secretary and
164 through any agency of the Department of the Interior;

165 (y) "Tiered Pricing Component" shall be the incremental amount to be paid
166 for each acre-foot of Water Delivered as described in subdivision (j) of Article 7 of this Contract;

167 (z) "Water Delivered" or "Delivered Water" shall mean Project Water
168 diverted for use by the Contractor at the point(s) of delivery approved by the Contracting
169 Officer;

170 (aa) "Water Made Available" shall mean the estimated amount of Project
171 Water that can be delivered to the Contractor for the upcoming Year as declared by the
172 Contracting Officer, pursuant to subdivision (a) of Article 4 of this Contract;

173 (bb) "Water Scheduled" shall mean Project Water made available to the
174 Contractor for which times and quantities for delivery have been established by the Contractor
175 and Contracting Officer, pursuant to subdivision (b) of Article 4 of this Contract; and

176 (cc) "Year" shall mean the period from and including March 1 of each
177 Calendar Year through the last day of February of the following Calendar Year.

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TERM OF CONTRACT

2. (a) This Contract shall be effective March 1, 2005, through February 28, 2045, and supersedes the Existing Contract. In the event the Contractor wishes to renew this Contract beyond February 28, 2045, the Contractor shall submit a request for renewal in writing to the Contracting Officer no later than two years prior to the date this Contract expires.

(b) Omitted.

(c) This Contract shall be renewed for successive periods of 40 years each which periods shall be consistent with then-existing Reclamation-wide policy, under terms and conditions mutually agreeable to the parties and consistent with Federal and State law. The Contractor shall be afforded the opportunity to comment to the Contracting Officer on the proposed adoption and application of any revised policy applicable to the delivery of Project M&I Water that would limit the term of any subsequent renewal contract with the Contractor for the furnishing of M&I Water to less than 40 years.

(d) The Contracting Officer shall make a determination ten years after the date of execution of this Contract, and every five years thereafter during the term of this Contract, of whether a conversion to a contract under subsection 9(c)(1) of Section 9 of the Reclamation Project Act of 1939 can be accomplished. The Contracting Officer anticipates that during the term of this Contract, all authorized Project construction expected to occur will have occurred, and on that basis the Contracting Officer agrees upon such completion to allocate all costs that are properly assignable to the Contractor, and agrees further that, at any time after such allocation is made, and subject to satisfaction of the condition set out in this subdivision, this Contract shall, at the request of the Contractor, be converted to a contract under said subsection (c)(1) of Section 9, subject to applicable Federal law and under stated terms and conditions mutually agreeable to the Contractor and the Contracting Officer. A condition for such conversion to occur shall be a determination by the Contracting Officer that, account being taken of the amount credited to return by the Contractor as provided for under Federal Reclamation

204 law, the remaining amount of construction costs assignable for ultimate return by the Contractor
205 can probably be repaid to the United States within the term of a contract under said subsection
206 (c)(1) of Section 9. If the remaining amount of costs that are properly assignable to the
207 Contractor cannot be determined during the term of this Contract, the Contracting Officer shall
208 notify the Contractor, and provide the reason(s) why such a determination could not be made.
209 Further, the Contracting Officer shall make such a determination as soon thereafter as possible so
210 as to permit, upon request of the Contractor and satisfaction of the condition set out above,
211 conversion to a contract under said subsection (c)(1) of Section 9. In the event such
212 determination of costs has not been made at a time which allows conversion of this Contract
213 during the term of this Contract or the Contractor has not requested conversion of this Contract
214 within such term, the parties shall incorporate in any subsequent renewal contract as described in
215 subdivision (c) of this Article a provision that carries forth in substantially identical terms the
216 provisions of this subdivision.

217 WATER TO BE MADE AVAILABLE AND DELIVERED TO THE CONTRACTOR

218 3. (a) During each Year, consistent with all applicable State water rights,
219 permits, and licenses, Federal law, and subject to the provisions set forth in Articles 11 and 12 of
220 this Contract, the Contracting Officer shall make available for delivery to the Contractor
221 7,550 acre-feet of Project Water for M&I purposes. Water Delivered to the Contractor in
222 accordance with this subdivision shall be scheduled and paid for pursuant to the provisions of
223 Articles 4 and 7 of this Contract.

224 (b) Because the capacity of the Project to deliver Project Water has been
225 constrained in recent years and may be constrained in the future due to many factors including
226 hydrologic conditions and implementation of Federal and State laws, the likelihood of the
227 Contractor actually receiving the amount of Project Water set out in subdivision (a) of this
228 Article in any given Year is uncertain. The Contracting Officer's modeling referenced in the
229 PEIS projected that the Contract Total set forth in this Contract will not be available to the

230 Contractor in many years. During the most recent five years, the Recent Historic Average of
231 water made available to the Contractor's Service Area was 6,716 acre-feet. Nothing in
232 subdivision (b) of this Article shall affect the rights and obligations of the parties under any
233 provision of this Contract.

234 (c) The Contractor shall utilize the Project Water in accordance with all
235 applicable legal requirements.

236 (d) The Contractor shall make reasonable and beneficial use of all water
237 furnished pursuant to this Contract. Ground-water recharge programs (direct, indirect, or in
238 lieu), ground-water banking programs, surface water storage programs, and other similar
239 programs utilizing Project Water or other water furnished pursuant to this Contract conducted
240 within the Contractor's Service Area which are consistent with applicable State law and result in
241 use consistent with Federal Reclamation law will be allowed; Provided, That any direct recharge
242 program(s) is (are) described in the Contractor's water conservation plan submitted pursuant to
243 Article 26 of this Contract; Provided, further, That such water conservation plan demonstrates
244 sufficient lawful uses exist in the Contractor's Service Area so that using a long-term average,
245 the quantity of Delivered Water is demonstrated to be reasonable for such uses and in
246 compliance with Federal Reclamation Law. Groundwater recharge programs, ground-water
247 banking programs, surface water storage programs, and other similar programs utilizing Project
248 Water or other water furnished pursuant to this Contract conducted outside the Contractor's
249 Service Area may be permitted upon written approval of the Contracting Officer, which approval
250 will be based upon environmental documentation, Project Water rights, and Project operational
251 concerns. The Contracting Officer will address such concerns in regulations, policies, or
252 guidelines.

253 (e) The Contractor shall comply with requirements applicable to the
254 Contractor in biological opinion(s) prepared as a result of a consultation regarding the execution
255 of this Contract undertaken pursuant to Section 7 of the Endangered Species Act of 1973 (ESA),

256 as amended, that are within the Contractor's legal authority to implement. The Existing
257 Contracts, which evidence in excess of 40 years of diversions for M&I purposes of the quantities
258 of water provided in subdivision (a) of Article 3 of this Contract, will be considered in
259 developing an appropriate baseline for biological assessment prepared pursuant to the ESA, and
260 any other needed environmental review. Nothing herein shall be construed to prevent the
261 Contractor from challenging or seeking judicial relief in a court of competent jurisdiction with
262 respect to any biological opinion or other environmental documentation referred to in this
263 Article.

264 (f) Following the declaration of Water Made Available under Article 4 of this
265 Contract, the Contracting Officer will make a determination whether Project Water, or other
266 water available to the Project, can be made available to the Contractor in addition to the Contract
267 Total under Article 3 of this Contract during the Year without adversely impacting other Project
268 Contractors. At the request of the Contractor, the Contracting Officer will consult with the
269 Contractor prior to making such a determination. If the Contracting Officer determines that
270 Project Water, or other water available to the Project, can be made available to the Contractor,
271 the Contracting Officer will announce the availability of such water and shall so notify the
272 Contractor as soon as practical. The Contracting Officer will thereafter meet with the Contractor
273 and other Project Contractors capable of taking such water to determine the most equitable and
274 efficient allocation of such water. If the Contractor requests the delivery of any quantity of such
275 water, the Contracting Officer shall make such water available to the Contractor in accordance
276 with applicable statutes, regulations, guidelines, and policies.

277 (g) The Contractor may request permission to reschedule for use during the
278 subsequent Year some or all of the Water Made Available to the Contractor during the current
279 Year referred to as "carryover." The Contractor may request permission to use during the
280 current Year a quantity of Project Water which may be made available by the United States to
281 the Contractor during the subsequent Year referred to as "preuse." The Contracting Officer's

282 written approval may permit such uses in accordance with applicable statutes, regulations,
283 guidelines, and policies.

284 (h) The Contractor's right pursuant to Federal Reclamation law and applicable
285 State law to the reasonable and beneficial use of Water Delivered pursuant to this Contract
286 during the term thereof and any subsequent renewal contracts, as described in Article 2 of this
287 Contract, during the terms thereof shall not be disturbed so long as the Contractor shall fulfill all
288 of its obligations under this Contract and any renewals thereof. Nothing in the preceding
289 sentence shall affect the Contracting Officer's ability to impose shortages under Article 11 or
290 subdivision (b) of Article 12 of this Contract or applicable provisions of any subsequent renewal
291 contracts.

292 (i) Project Water furnished to the Contractor pursuant to this Contract may be
293 delivered for purposes other than those described in subdivisions (m) and (o) of Article 1 of this
294 Contract upon written approval by the Contracting Officer in accordance with the terms and
295 conditions of such approval.

296 (j) The Contracting Officer shall make reasonable efforts to protect the water
297 rights necessary for the Project and to provide the water available under this Contract. The
298 Contracting Officer shall not object to participation by the Contractor, in the capacity and to the
299 extent permitted by law, in administrative proceedings related to the Project Water rights;
300 Provided, That the Contracting Officer retains the right to object to the substance of the
301 Contractor's position in such a proceeding; Provided further, That in such proceedings the
302 Contracting Officer shall recognize the Contractor has a legal right under the terms of this
303 Contract to use Project Water.

304 TIME FOR DELIVERY OF WATER

305 (4) (a) On or about February 20 of each Calendar Year, the Contracting Officer
306 shall announce the Contracting Officer's expected declaration of the Water Made Available.
307 Such declaration will be expressed in terms of both Water Made Available and the Recent

308 Historic Average and will be updated monthly, and more frequently if necessary, based on then-
309 current operational and hydrologic conditions and a new declaration with changes, if any, to the
310 Water Made Available will be made. The Contracting Officer shall provide forecasts of Project
311 operations and the basis of the estimate, with relevant supporting information, upon the written
312 request of the Contractor. Concurrently with the declaration of the Water Made Available, the
313 Contracting Officer shall provide the Contractor with the updated Recent Historic Average.

314 (b) On or before each March 1 and at such other times as necessary, the
315 Contractor shall submit to the Contracting Officer a written schedule, satisfactory to the
316 Contracting Officer, showing the monthly quantities of Project Water to be delivered by the
317 United States to the Contractor pursuant to this Contract for the Year commencing on such
318 March 1. The Contracting Officer shall use all reasonable means to deliver Project Water
319 according to the approved schedule for the Year commencing on such March 1.

320 (c) The Contractor shall not schedule Project Water in excess of the quantity
321 of Project Water the Contractor intends to put to reasonable and beneficial use within the
322 Contractor's Service Area or to sell, transfer, or exchange pursuant to Article 9 of this Contract
323 during any Year.

324 (d) Subject to the conditions set forth in subdivision (a) of Article 3 of this
325 Contract, the United States shall deliver Project Water to the Contractor in accordance with the
326 initial schedule submitted by the Contractor pursuant to subdivision (b) of this Article, or any
327 written revision(s), satisfactory to the Contracting Officer, thereto submitted within a reasonable
328 time prior to the date(s) on which the requested change(s) is/are to be implemented.

329 POINT OF DIVERSION AND RESPONSIBILITY FOR DISTRIBUTION OF WATER

330 5. (a) Project Water scheduled pursuant to subdivision (b) of Article 4 of this
331 Contract shall be delivered to the Contractor at the Contractor's point of diversion in Folsom
332 Lake and any additional point or points of delivery either on Project facilities or another location
333 or locations mutually agreed to in writing by the Contracting Officer and the Contractor.

334 (b) Omitted.

335 (c) The Contractor shall not deliver Project Water to land outside the
336 Contractor's Service Area unless approved in advance by the Contracting Officer.

337 (d) All Water Delivered to the Contractor pursuant to this Contract shall be
338 measured and recorded with equipment furnished, installed, operated, and maintained by the
339 United States, or other appropriate entity as designated by the Contracting Officer at the point or
340 points of delivery established pursuant to subdivision (a) of this Article. Upon the request of
341 either party to this Contract, the Contracting Officer shall investigate, or cause to be investigated,
342 the accuracy of such measurements and shall take any necessary steps to adjust any errors
343 appearing therein. For any period of time when accurate measurements have not been made, the
344 Contracting Officer shall consult with the Contractor prior to making a final determination of the
345 quantity delivered for that period of time.

346 (e) The Contracting Officer shall not be responsible for the control, carriage,
347 handling, use, disposal, or distribution of Water Delivered to the Contractor pursuant to this
348 Contract beyond the delivery points specified in subdivision (a) of this Article. The Contractor
349 shall indemnify the United States, its officers, employees, agents, and assigns on account of
350 damage or claim of damage of any nature whatsoever for which there is legal responsibility,
351 including property damage, personal injury, or death arising out of or connected with the control,
352 carriage, handling, use, disposal, or distribution of such Water Delivered beyond such delivery
353 points, except for any damage or claim arising out of (i) acts or omissions of the Contracting
354 Officer or any of its officers, employees, agents, or assigns with the intent of creating the
355 situation resulting in any damage or claim; (ii) willful misconduct of the Contracting Officer or
356 any of its officers, employees, agents, or assigns; (iii) negligence of the Contracting Officer or
357 any of its officers, employees, agents, or assigns; or (iv) damage or claims resulting from a
358 malfunction of facilities owned and/or operated by the United States.

359 MEASUREMENT OF WATER WITHIN THE SERVICE AREA

360 6. (a) The Contractor has established a measuring program satisfactory to the
361 Contracting Officer. The Contractor shall ensure that all surface water delivered for M&I
362 purposes is measured at each M&I service connection. The water measuring devices or water
363 measuring methods of comparable effectiveness must be acceptable to the Contracting Officer.
364 The Contractor shall be responsible for installing, operating, and maintaining and repairing all
365 such measuring devices and implementing all such water measuring methods at no cost to the
366 United States. The Contractor shall use the information obtained from such water measuring
367 devices or water measuring methods to ensure its proper management of the water, to bill water
368 users for water delivered by the Contractor; and, if applicable, to record water delivered for M&I
369 purposes by customer class as defined in the Contractor's water conservation plan provided for
370 in Article 26 of this Contract. Nothing herein contained, however, shall preclude the Contractor
371 from establishing and collecting any charges, assessments, or other revenues authorized by
372 California law. The Contractor shall include a summary of all its annual surface water deliveries
373 in the annual report described in subdivision (c) of Article 26.

374 (b) To the extent the information has not otherwise been provided, upon
375 execution of this Contract, the Contractor shall provide to the Contracting Officer a written
376 report describing the measurement devices or water measuring methods being used or to be used
377 to implement subdivision (a) of this Article and identifying the M&I service connections or
378 alternative measurement programs approved by the Contracting Officer, at which such
379 measurement devices or water measuring methods are being used, and, if applicable, identifying
380 the locations at which such devices and/or methods are not yet being used including a time
381 schedule for implementation at such locations. The Contracting Officer shall advise the
382 Contractor in writing within 60 days as to the adequacy of, and necessary modifications, if any,
383 of the measuring devices or water measuring methods identified in the Contractor's report and if
384 the Contracting Officer does not respond in such time, they shall be deemed adequate. If the

385 Contracting Officer notifies the Contractor that the measuring devices or methods are
386 inadequate, the parties shall within 60 days following the Contracting Officer's response,
387 negotiate in good faith the earliest practicable date by which the Contractor shall modify said
388 measuring devices and/or measuring methods as required by the Contracting Officer to ensure
389 compliance with subdivision (a) of this Article.

390 (c) All new surface water delivery systems installed within the Contractor's
391 Service Area after the effective date of this Contract shall also comply with the measurement
392 provisions described in subdivision (a) of this Article.

393 (d) The Contractor shall inform the Contracting Officer and the State of
394 California in writing by April 30 of each Year of the monthly volume of surface water delivered
395 within the Contractor's Service Area during the previous Year.

396 (e) The Contractor shall inform the Contracting Officer on or before the
397 20th calendar day of each month of the quantity of M&I Water taken during the preceding month.

398 RATES AND METHOD OF PAYMENT FOR WATER

399 7. (a) The Contractor shall pay the United States as provided in this Article for
400 all Delivered Water at Rates, Charges, and the Tiered Pricing Component established in
401 accordance with (i) the Secretary's then-existing ratesetting policy for M&I Water. Such
402 ratesetting policies shall be amended, modified, or superseded only through a public notice and
403 comment procedure; (ii) applicable Federal Reclamation law and associated rules and
404 regulations, or policies; and (iii) other applicable provisions of this Contract. Payments shall be
405 made by cash transaction, electronic funds transfer, or any other mechanism as may be agreed to
406 in writing by the Contractor and the Contracting Officer. The Rates, Charges, and Tiered Pricing
407 Component applicable to the Contractor upon execution of this Contract are set forth in Exhibit
408 "B," as may be revised annually.

409 (b) The Contracting Officer shall notify the Contractor of the Rates, Charges,
410 and Tiered Pricing Component as follows:

411 (1) Prior to July 1 of each Calendar Year, the Contracting Officer shall
412 provide the Contractor an estimate of the Charges for Project Water that will be applied to the
413 period October 1, of the current Calendar Year, through September 30, of the following Calendar
414 Year, and the basis for such estimate. The Contractor shall be allowed not less than two months
415 to review and comment on such estimates. On or before September 15 of each Calendar Year,
416 the Contracting Officer shall notify the Contractor in writing of the Charges to be in effect during
417 the period October 1 of the current Calendar Year, through September 30, of the following
418 Calendar Year, and such notification shall revise Exhibit "B."

419 (2) Prior to October 1 of each Calendar Year, the Contracting Officer
420 shall make available to the Contractor an estimate of the Rates and Tiered Pricing Component
421 for Project Water for the following Year and the computations and cost allocations upon which
422 those Rates are based. The Contractor shall be allowed not less than two months to review and
423 comment on such computations and cost allocations. By December 31 of each Calendar Year,
424 the Contracting Officer shall provide the Contractor with the final Rates and Tiered Pricing
425 Component to be in effect for the upcoming Year, and such notification shall revise Exhibit "B."

426 (c) At the time the Contractor submits the initial schedule for the delivery of
427 Project Water for each Year pursuant to subdivision (b) of Article 4 of this Contract, the
428 Contractor shall make an advance payment to the United States equal to the total amount payable
429 pursuant to the applicable Rate(s) set under subdivision (a) of this Article, for the Project Water
430 scheduled to be delivered pursuant to this Contract during the first two calendar months of the
431 Year. Before the end of the first month and before the end of each calendar month thereafter, the
432 Contractor shall make an advance payment to the United States, at the Rate(s) set under
433 subdivision (a) of this Article, for the Water Scheduled to be delivered pursuant to this Contract
434 during the second month immediately following. Adjustments between advance payments for
435 Water Scheduled and payments at Rates due for Water Delivered shall be made before the end of
436 the following month; Provided, That any revised schedule submitted by the Contractor pursuant

437 to Article 4 of this Contract which increases the amount of Water Delivered pursuant to this
438 Contract during any month shall be accompanied with appropriate advance payment, at the Rates
439 then in effect, to assure that Project Water is not delivered to the Contractor in advance of such
440 payment. In any month in which the quantity of Water Delivered to the Contractor pursuant to
441 this Contract equals the quantity of Water Scheduled and paid for by the Contractor, no
442 additional Project Water shall be delivered to the Contractor unless and until an advance
443 payment at the Rates then in effect for such additional Project Water is made. Final adjustment
444 between the advance payments for the Water Scheduled and payments for the quantities of Water
445 Delivered during each Year pursuant to this Contract shall be made as soon as practicable but no
446 later than April 30th of the following Year, or 60 days after the delivery of Project Water carried
447 over under subdivision (f) of Article 3 of this Contract if such water is not delivered by the last
448 day of February.

449 (d) The Contractor shall also make a payment in addition to the Rate(s) in
450 subdivision (c) of this Article to the United States for Water Delivered, at the Charges and the
451 appropriate Tiered Pricing Component then in effect, before the end of the month following the
452 month of delivery. The payments shall be consistent with the quantities of M&I Water Delivered
453 as shown in the water delivery report for the subject month prepared by the Operating Non-
454 Federal Entity or, if there is no Operating Non-Federal Entity, by the Contracting Officer. The
455 water delivery report shall be deemed a bill for the payment of Charges and the applicable Tiered
456 Pricing Component for Water Delivered. Adjustment for overpayment or underpayment of
457 Charges shall be made through the adjustment of payments due to the United States for Charges
458 for the next month. Any amount to be paid for past due payment of Charges and the Tiered
459 Pricing Component shall be computed pursuant to Article 20 of this Contract.

460 (e) The Contractor shall pay for any Water Delivered under subdivision (a),
461 (f), or (g) of Article 3 of this Contract as determined by the Contracting Officer pursuant to
462 applicable statutes, associated regulations, any applicable provisions of guidelines or ratesetting

463 policies; Provided, That the Rate for Water Delivered under subdivision (f) of Article 3 of this
464 Contract shall be no more than the otherwise applicable Rate for M&I Water under subdivision
465 (a) of this Article.

466 (f) Payments to be made by the Contractor to the United States under this
467 Contract may be paid from any revenues available to the Contractor.

468 (g) All revenues received by the United States from the Contractor relating to
469 the delivery of Project Water or the delivery of non-Project water through Project facilities shall
470 be allocated and applied in accordance with Federal Reclamation law and the associated rules or
471 regulations, and the then-current Project ratesetting policies for M&I Water.

472 (h) The Contracting Officer shall keep its accounts pertaining to the
473 administration of the financial terms and conditions of its long-term contracts, in accordance
474 with applicable Federal standards, so as to reflect the application of Project costs and revenues.
475 The Contracting Officer shall, each Year upon request of the Contractor, provide to the
476 Contractor a detailed accounting of all Project and Contractor expense allocations, the
477 disposition of all Project and Contractor revenues, and a summary of all water delivery
478 information. The Contracting Officer and the Contractor shall enter into good faith negotiations
479 to resolve any discrepancies or disputes relating to accountings, reports, or information.

480 (i) The parties acknowledge and agree that the efficient administration of this
481 Contract is their mutual goal. Recognizing that experience has demonstrated that mechanisms,
482 policies, and procedures used for establishing Rates, Charges, and Tiered Pricing Components,
483 and/or for making and allocating payments, other than those set forth in this Article may be in
484 the mutual best interest of the parties, it is expressly agreed that the parties may enter into
485 agreements to modify the mechanisms, policies, and procedures for any of those purposes while
486 this Contract is in effect without amending this Contract.

487 (j) (1) Beginning at such time as deliveries of Project Water in a Year
488 exceed 80 percent of the Contract Total, then before the end of the month following the month of

489 delivery the Contractor shall make an additional payment to the United States equal to the
490 applicable Tiered Pricing Component. The Tiered Pricing Component for the amount of Water
491 Delivered in excess of 80 percent of the Contract Total, but less than or equal to 90 percent of the
492 Contract Total, shall equal one-half of the difference between the Rate established under
493 subdivision (a) of this Article and the Irrigation Full Cost Water Rate or M&I Full Cost Water
494 Rate, whichever is applicable. The Tiered Pricing Component for the amount of Water
495 Delivered which exceeds 90 percent of the Contract Total shall equal the difference between
496 (i) the Rate established under subdivision (a) of this Article and (ii) the M&I Full Cost Water
497 Rate.

498 (2) Omitted.

499 (3) For purposes of determining the applicability of the Tiered Pricing
500 Components pursuant to this Article, Water Delivered shall include Project Water that the
501 Contractor transfers to others but shall not include Project Water transferred to the Contractor
502 nor shall it include the additional water provided to the Contractor under the provisions of
503 subdivision (f) of Article 3 of this Contract.

504 (k) For the term of this Contract, Rates under the respective ratesetting
505 policies will be established to recover only reimbursable O&M (including any deficits) and
506 capital costs of the Project, as those terms are used in the then-current Project ratesetting
507 policies, and interest, where appropriate, except in instances where a minimum Rate is applicable
508 in accordance with the relevant Project ratesetting policy. Changes of significance in practices
509 which implement the Contracting Officer's ratesetting policies will not be implemented until the
510 Contracting Officer has provided the Contractor an opportunity to discuss the nature, need, and
511 impact of the proposed change.

512 (l) Except as provided in subsections 3405(a)(1)(B) and 3405(f) of the
513 CVPIA, the Rates for Project Water transferred by the Contractor shall be the Contractor's Rates
514 adjusted upward or downward to reflect the changed costs, if any, incurred by the Contracting

515 Officer in the delivery of the transferred Project Water to the transferee's point of delivery in
516 accordance with the then-applicable Project ratesetting policy. If the Contractor is receiving
517 lower Rates and Charges because of inability to pay and is transferring Project Water to another
518 entity whose Rates and Charges are not adjusted due to inability to pay, the Rates and Charges
519 for transferred Project Water shall be the Contractor's Rates and Charges and will not be
520 adjusted to reflect the Contractor's inability to pay.

521 (m) Omitted.

522 (n) With respect to the Rates for M&I water, the Contractor asserts that it is
523 not legally obligated to pay any Project deficits claimed by the United States to have accrued as
524 of the date of this Contract or deficit-related interest charges thereon. By entering into this
525 Contract, the Contractor does not waive any legal rights or remedies that it may have with
526 respect to such disputed issues. Notwithstanding the execution of this Contract, and payments
527 made hereunder, the Contractor may challenge in the appropriate administrative or judicial
528 forums: (1) the existence, computation, or imposition of any deficit charges accruing during the
529 term of the Existing Contracts and any preceding interim renewal contracts, if applicable;
530 (2) interest accruing on any such deficits; (3) the inclusion of any such deficit charges or interest
531 in the Rates; (4) the application by the United States of payments made by the Contractor under
532 its Existing Contracts and any preceding interim renewal contract, if applicable; and (5) the
533 application of such payments in the Rates. The Contracting Officer agrees that the Contractor
534 shall be entitled to the benefit of any administrative or judicial ruling in favor of any other
535 Project M&I contractor on any of these issues, and credits for payments heretofore made,
536 Provided, That the basis for such ruling is applicable to the Contractor.

537 8. Omitted.

538 SALES, TRANSFERS, OR EXCHANGES OF WATER

539 9. (a) The right to receive Project Water provided for in this Contract may be
540 sold, transferred, or exchanged to others for reasonable and beneficial uses within the State of

541 California if such sale, transfer, or exchange is authorized by applicable Federal and State laws,
542 and applicable guidelines or regulations then in effect. No sale, transfer, or exchange of Project
543 Water under this Contract may take place without the prior written approval of the Contracting
544 Officer, except as provided for in subdivision (b) of this Article, and no such sales, transfers, or
545 exchanges shall be approved absent all appropriate environmental documentation, including but
546 not limited to documents prepared pursuant to the NEPA and ESA. Such environmental
547 documentation should include, as appropriate, an analysis of ground-water impacts and
548 economic and social effects, including environmental justice, of the proposed water transfers on
549 both the transferor and transferee.

550 (b) In order to facilitate efficient water management by means of water
551 transfers of the type historically carried out among Project Contractors located within the same
552 geographical area and to allow the Contractor to participate in an accelerated water transfer
553 program during the term of this Contract, the Contracting Officer shall prepare, as appropriate,
554 all necessary environmental documentation including, but not limited to, documents prepared
555 pursuant to the NEPA and ESA analyzing annual transfers within such geographical areas, and
556 the Contracting Officer shall determine whether such transfers comply with applicable law.
557 Following the completion of the environmental documentation, such transfers addressed in such
558 documentation shall be conducted with advance notice to the Contracting Officer, but shall not
559 require prior written approval by the Contracting Officer. Such environmental documentation
560 and the Contracting Officer's compliance determination shall be reviewed every five years and
561 updated, as necessary, prior to the expiration of the then-existing five-year period. All
562 subsequent environmental documentation shall include an alternative to evaluate not less than the
563 quantity of Project Water historically transferred within the same geographical area.

564 (c) For a water transfer to qualify under subdivision (b) of this Article, such
565 water transfer must: (i) be for irrigation purposes for lands irrigated within the previous three
566 years, for M&I use, ground-water recharge, water banking, or fish and wildlife resources; not

567 lead to land conversion; and be delivered to established cropland, wildlife refuges, ground-water
 568 basins or M&I use; (ii) occur within a single Year; (iii) occur between a willing seller and a
 569 willing buyer; (iv) convey water through existing facilities with no new construction or
 570 modifications to facilities and be between existing Project Contractors and/or the Contractor and
 571 the United States, Department of the Interior; and (v) comply with all applicable Federal, State,
 572 and local or tribal laws and requirements imposed for protection of the environment and Indian
 573 Trust Assets, as defined under Federal law.

574 APPLICATION OF PAYMENTS AND ADJUSTMENTS

575 10. (a) The amount of any overpayment by the Contractor of the Contractor's
 576 O&M, capital, interest and deficit (if any) obligations for the Year shall be applied first to any
 577 current liabilities of the Contractor arising out of this Contract then due and payable.
 578 Overpayments of more than \$1,000 shall be refunded at the Contractor's request. In lieu of a
 579 refund, any amount of such overpayment, at the option of the Contractor, may be credited against
 580 amounts to become due to the United States by the Contractor. With respect to overpayment,
 581 such refund or adjustment shall constitute the sole remedy of the Contractor or anyone having or
 582 claiming to have the right to the use of any of the Project Water supply provided for herein. All
 583 credits and refunds of overpayments shall be made within 30 days of the Contracting Officer
 584 obtaining direction as to how to credit or refund such overpayment in response to the notice to
 585 the Contractor that it has finalized the accounts for the Year in which the overpayment was
 586 made.

587 (b) All advances for miscellaneous costs incurred for work requested by the
 588 Contractor pursuant to Article 25 of this Contract shall be adjusted to reflect the actual costs
 589 when the work has been completed. If the advances exceed the actual costs incurred, the
 590 difference will be refunded to the Contractor. If the actual costs exceed the Contractor's
 591 advances, the Contractor will be billed for the additional costs pursuant to Article 25.

592 TEMPORARY REDUCTIONS--RETURN FLOWS

593 11. (a) Subject to: (i) the authorized purposes and priorities of the Project and the
594 requirements of Federal law; and (ii) the obligations of the United States under existing
595 contracts, or renewals thereof, providing for water deliveries from the Project, the Contracting
596 Officer shall make all reasonable efforts to optimize Project Water deliveries to the Contractor as
597 provided in this Contract.

598 (b) The Contracting Officer may temporarily discontinue or reduce the
599 quantity of Water Delivered to the Contractor as herein provided for the purposes of
600 investigation, inspection, maintenance, repair, or replacement of any of the Project facilities or
601 any part thereof necessary for the delivery of Project Water to the Contractor, but so far as
602 feasible the Contracting Officer will give the Contractor due notice in advance of such temporary
603 discontinuance or reduction, except in case of emergency, in which case no notice need be given;
604 Provided, That the United States shall use its best efforts to avoid any discontinuance or
605 reduction in such service. Upon resumption of service after such reduction or discontinuance,
606 and if requested by the Contractor, the United States will, if possible, deliver the quantity of
607 Project Water which would have been delivered hereunder in the absence of such discontinuance
608 or reduction.

609 (c) The United States reserves the right to all seepage and return flow water
610 derived from Water Delivered to the Contractor hereunder which escapes or is discharged
611 beyond the Contractor's Service Area; Provided, That this shall not be construed as claiming for
612 the United States any right to seepage or return flow being put to reasonable and beneficial use
613 pursuant to this Contract within the Contractor's Service Area by the Contractor or those
614 claiming by, through, or under the Contractor.

615 CONSTRAINTS ON THE AVAILABILITY OF WATER

616 12. (a) In its operation of the Project, the Contracting Officer will use all
617 reasonable means to guard against a Condition of Shortage in the quantity of water to be made

618 available to the Contractor pursuant to this Contract. In the event the Contracting Officer
619 determines that a Condition of Shortage appears probable, the Contracting Officer will notify the
620 Contractor of said determination as soon as practicable.

621 (b) If there is a Condition of Shortage because of errors in physical operations
622 of the Project, drought, other physical causes beyond the control of the Contracting Officer or
623 actions taken by the Contracting Officer to meet legal obligations then, except as provided in
624 subdivision (a) of Article 18 of this Contract, no liability shall accrue against the United States or
625 any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom.

626 (c) Omitted.

627 (d) Project Water furnished under this Contract will be allocated in
628 accordance with the then-existing Project M&I Water Shortage Policy. Such policy shall be
629 amended, modified, or superseded only through a public notice and comment procedure.

630 (e) By entering into this Contract, the Contractor does not waive any legal
631 rights or remedies it may have to file or participate in any administrative or judicial proceeding
632 contesting (i) the sufficiency of the manner in which any Project M&I Water Shortage Policy
633 adopted after the effective date of this Contract was promulgated; (ii) the substance of such a
634 policy; or (iii) the applicability of such a policy. By agreeing to the foregoing, the Contracting
635 Officer does not waive any legal defenses or remedies that it may then have to assert in such a
636 proceeding.

637 13. Omitted.

638 RULES AND REGULATIONS

639 14. The parties agree that the delivery of M&I Water or use of Federal facilities
640 pursuant to this Contract is subject to the applicable provisions of Federal Reclamation law and
641 the applicable rules and regulations promulgated by the Secretary of the Interior under such law.

642

WATER AND AIR POLLUTION CONTROL

643 15. The Contractor, in carrying out this Contract, shall comply with all applicable
644 water and air pollution laws and regulations of the United States and the State of California, and
645 shall obtain all required permits or licenses from the appropriate Federal, State, or local
646 authorities.

647

QUALITY OF WATER

648 16. (a) Project facilities used to deliver Project Water to the Contractor pursuant
649 to this Contract shall be operated and maintained to enable the United States to deliver Project
650 Water to the Contractor in accordance with the water quality standards specified in subsection
651 2(b) of the Act of August 26, 1937 (50 Stat. 865), as added by Section 101 of the Act of
652 October 27, 1986 (100 Stat. 3050), or other existing Federal laws. The United States is under no
653 obligation to construct or furnish water treatment facilities to maintain or to improve the quality
654 of Water Delivered to the Contractor pursuant to this Contract. The United States does not
655 warrant the quality of Water Delivered to the Contractor pursuant to this Contract.

656 (b) The O&M of Project facilities shall be performed in such manner as is
657 practicable to maintain the quality of raw water made available through such facilities at the
658 highest level reasonably attainable as determined by the Contracting Officer. The Contractor
659 shall be responsible for compliance with all State and Federal water quality standards applicable
660 to surface and subsurface agricultural drainage discharges generated through the use of Federal
661 or Contractor facilities or Project Water provided by the Contractor within the Contractor's
662 Service Area.

663

WATER ACQUIRED BY THE CONTRACTOR
OTHER THAN FROM THE UNITED STATES

664

665 17. (a) Omitted.
666 (b) Water or water rights now owned or hereafter acquired by the Contractor,
667 other than from the United States, may be stored, conveyed, and/or diverted through Project
668 facilities, subject to the completion of appropriate environmental documentation, with the

669 approval of the Contracting Officer and the execution of any contract determined by the
670 Contracting Officer to be necessary, consistent with the following provisions:

671 (1) The Contractor may introduce non-Project water into Project
672 facilities and deliver said water to lands within the Contractor's Service Area, including
673 Ineligible Lands subject to payment to the United States of an appropriate rate as determined by
674 the applicable Project ratesetting policy and the Project use power policy, if such Project use
675 power policy is applicable, each as amended, modified, or superseded from time to time.

676 (2) Delivery of such non-Project water in and through Project facilities
677 shall only be allowed to the extent such deliveries do not: (i) interfere with other Project
678 purposes as determined by the Contracting Officer; (ii) reduce the quantity or quality of water
679 available to other Project Contractors; (iii) interfere with the delivery of contractual water
680 entitlements to any other Project water service contractors; or (iv) interfere with the physical
681 maintenance of the Project facilities.

682 (3) The United States shall not be responsible for control, care, or
683 distribution of the non-Project water before it is introduced into or after it is delivered from the
684 Project facilities. The Contractor hereby releases and agrees to defend and indemnify the United
685 States and their respective officers, agents, and employees, from any claim for damage to
686 persons or property, direct or indirect, resulting from the acts of the Contractor, its officers',
687 employees', agents' or assigns', act(s) in (i) extracting or diverting non-Project water from any
688 source, or (ii) diverting such non-Project water into Project facilities.

689 (4) Diversion of such non-Project water into Project facilities shall be
690 consistent with all applicable laws, and if involving groundwater, consistent with any applicable
691 ground-water management plan for the area from which it was extracted.

692 (5) After Project purposes are met, as determined by the Contracting
693 Officer, the United States and the Contractor shall share priority to utilize the remaining capacity
694 of the facilities declared to be available by the Contracting Officer for conveyance and

695 transportation of non-Project water prior to any such remaining capacity being made available to
696 non-Project contractors.

697 OPINIONS AND DETERMINATIONS

698 18. (a) Where the terms of this Contract provide for actions to be based upon the
699 opinion or determination of either party to this Contract, said terms shall not be construed as
700 permitting such action to be predicated upon arbitrary, capricious, or unreasonable opinions or
701 determinations. Both parties, notwithstanding any other provisions of this Contract, expressly
702 reserve the right to seek relief from and appropriate adjustment for any such arbitrary, capricious,
703 or unreasonable opinion or determination. Each opinion or determination by either party shall be
704 provided in a timely manner. Nothing in subdivision (a) of Article 18 of this Contract is
705 intended to or shall affect or alter the standard of judicial review applicable under Federal law to
706 any opinion or determination implementing a specific provision of Federal law embodied in
707 statute or regulation.

708 (b) The Contracting Officer shall have the right to make determinations
709 necessary to administer this Contract that are consistent with the provisions of this Contract, the
710 laws of the United States and of the State of California, and the rules and regulations
711 promulgated by the Secretary of the Interior. Such determinations shall be made in consultation
712 with the Contractor to the extent reasonably practicable.

713 COORDINATION AND COOPERATION

714 19. (a) In order to further their mutual goals and objectives, the Contracting
715 Officer and the Contractor shall communicate, coordinate, and cooperate with each other, and
716 with other affected Project Contractors, in order to improve the operation and management of the
717 Project. The communication, coordination, and cooperation regarding operations and
718 management shall include, but not be limited to, any action which will or may materially affect
719 the quantity or quality of Project Water supply, the allocation of Project Water supply, and
720 Project financial matters including, but not limited to, budget issues. The communication,

721 coordination, and cooperation provided for hereunder shall extend to all provisions of this
722 Contract. Each party shall retain exclusive decision making authority for all actions, opinions,
723 and determinations to be made by the respective party.

724 (b) Within 120 days following the effective date of this Contract, the
725 Contractor, other affected Project Contractors, and the Contracting Officer shall arrange to meet
726 with interested Project Contractors to develop a mutually agreeable, written Project-wide
727 process, which may be amended as necessary separate and apart from this Contract. The goal of
728 this process shall be to provide, to the extent practicable, the means of mutual communication
729 and interaction regarding significant decisions concerning Project O&M on a real-time basis.

730 (c) In light of the factors referred to in subdivision (b) of Article 3 of this
731 Contract, it is the intent of the Secretary to improve water supply reliability. To carry out this
732 intent:

733 (1) The Contracting Officer will, at the request of the Contractor,
734 assist in the development of integrated resource management plans for the Contractor. Further,
735 the Contracting Officer will, as appropriate, seek authorizations for implementation of
736 partnerships to improve water supply, water quality, and reliability.

737 (2) The Secretary will, as appropriate, pursue program and project
738 implementation and authorization in coordination with Project Contractors to improve the water
739 supply, water quality, and reliability of the Project for all Project purposes.

740 (3) The Secretary will coordinate with Project Contractors and the
741 State of California to seek improved water resource management.

742 (4) The Secretary will coordinate actions of agencies within the
743 Department of the Interior that may impact the availability of water for Project purposes.

744 (5) The Contracting Officer shall periodically, but not less than
745 annually, hold division level meetings to discuss Project operations, division level water
746 management activities, and other issues as appropriate.

747 (d) Without limiting the contractual obligations of the Contracting Officer
 748 under the other Articles of this Contract, nothing in this Article shall be construed to limit or
 749 constrain the Contracting Officer's ability to communicate, coordinate, and cooperate with the
 750 Contractor or other interested stakeholders or to make decisions in a timely fashion as needed to
 751 protect health, safety, or the physical integrity of structures or facilities.

752 CHARGES FOR DELINQUENT PAYMENTS

753 20. (a) The Contractor shall be subject to interest, administrative and penalty
 754 charges on delinquent installments or payments. When a payment is not received by the due
 755 date, the Contractor shall pay an interest charge for each day the payment is delinquent beyond
 756 the due date. When a payment becomes 60 days delinquent, the Contractor shall pay an
 757 administrative charge to cover additional costs of billing and processing the delinquent payment.
 758 When a payment is delinquent 90 days or more, the Contractor shall pay an additional penalty
 759 charge of six percent per year for each day the payment is delinquent beyond the due date.
 760 Further, the Contractor shall pay any fees incurred for debt collection services associated with a
 761 delinquent payment.

762 (b) The interest charge rate shall be the greater of the rate prescribed quarterly
 763 in the Federal Register by the Department of the Treasury for application to overdue payments,
 764 or the interest rate of one-half of one percent per month prescribed by Section 6 of the
 765 Reclamation Project Act of 1939 (Public Law 76-260). The interest charge rate shall be
 766 determined as of the due date and remain fixed for the duration of the delinquent period.

767 (c) When a partial payment on a delinquent account is received, the amount
 768 received shall be applied, first to the penalty, second to the administrative charges, third to the
 769 accrued interest, and finally to the overdue payment.

770 EQUAL OPPORTUNITY

771 21. During the performance of this Contract, the Contractor agrees as follows:

772 (a) The Contractor will not discriminate against any employee or applicant for
 773 employment because of race, color, religion, sex, or national origin. The Contractor will take
 774 affirmative action to ensure that applicants are employed, and that employees are treated during
 775 employment, without regard to their race, color, religion, sex, or national origin. Such action
 776 shall include, but not be limited to, the following: Employment, upgrading, demotion, or
 777 transfer; recruitment or recruitment advertising; layoff or termination, rates of payment or other
 778 forms of compensation; and selection for training, including apprenticeship. The Contractor
 779 agrees to post in conspicuous places, available to employees and applicants for employment,
 780 notices to be provided by the Contracting Officer setting forth the provisions of this
 781 nondiscrimination clause.

782 (b) The Contractor will, in all solicitations or advertisements for employees
783 placed by or on behalf of the Contractor, state that all qualified applicants will receive
784 consideration for employment without discrimination because of race, color, religion, sex, or
785 national origin.

786 (c) The Contractor will send to each labor union or representative of workers
787 with which it has a collective bargaining agreement or other contract or understanding, a notice,
788 to be provided by the Contracting Officer, advising the said labor union or workers'
789 representative of the Contractor's commitments under Section 202 of Executive Order 11246 of
790 September 24, 1965, and shall post copies of the notice in conspicuous places available to
791 employees and applicants for employment.

792 (d) The Contractor will comply with all provisions of Executive Order
793 No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders
794 of the Secretary of Labor.

795 (e) The Contractor will furnish all information and reports required by said
796 amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or
797 pursuant thereto, and will permit access to its books, records, and accounts by the Contracting
798 Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with
799 such rules, regulations, and orders.

800 (f) In the event of the Contractor's noncompliance with the nondiscrimination
801 clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be
802 canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared
803 ineligible for further Government contracts in accordance with procedures authorized in said
804 amended Executive Order, and such other sanctions may be imposed and remedies invoked as
805 provided in said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as
806 otherwise provided by law.

807 (g) The Contractor will include the provisions of paragraphs (a) through (g) in
808 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
809 Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such
810 provisions will be binding upon each subcontractor or vendor. The Contractor will take such
811 action with respect to any subcontract or purchase order as may be directed by the Secretary of
812 Labor as a means of enforcing such provisions, including sanctions for noncompliance:
813 Provided, however, That in the event the Contractor becomes involved in, or is threatened with,
814 litigation with a subcontractor or vendor as a result of such direction, the Contractor may request
815 the United States to enter into such litigation to protect the interests of the United States.

816. GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

817 22. (a) The obligation of the Contractor to pay the United States as provided in
818 this Contract is a general obligation of the Contractor notwithstanding the manner in which the

819 obligation may be distributed among the Contractor's water users and notwithstanding the default
820 of individual water users in their obligations to the Contractor.

821 (b) The payment of charges becoming due hereunder is a condition precedent
822 to receiving benefits under this Contract. The United States shall not make water available to the
823 Contractor through Project facilities during any period in which the Contractor may be in arrears
824 in the advance payment of water rates due the United States. The Contractor shall not furnish
825 water made available pursuant to this Contract for lands or parties which are in arrears in the
826 advance payment of water rates levied or established by the Contractor.

827 (c) With respect to subdivision (b) of this Article, the Contractor shall have no
828 obligation to require advance payment for water rates which it levies.

829 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

830 23. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964
831 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (P.L. 93-112, as amended), the
832 Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights
833 laws, as well as with their respective implementing regulations and guidelines imposed by the
834 U.S. Department of the Interior and/or Bureau of Reclamation.

835 (b) These statutes require that no person in the United States shall, on the
836 grounds of race, color, national origin, handicap, or age, be excluded from participation in, be
837 denied the benefits of, or be otherwise subjected to discrimination under any program or activity
838 receiving financial assistance from the Bureau of Reclamation. By executing this Contract, the
839 Contractor agrees to immediately take any measures necessary to implement this obligation,
840 including permitting officials of the United States to inspect premises, programs, and documents.

841 (c) The Contractor makes this agreement in consideration of and for the
842 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other
843 Federal financial assistance extended after the date hereof to the Contractor by the Bureau of
844 Reclamation, including installment payments after such date on account of arrangements for
845 Federal financial assistance which were approved before such date. The Contractor recognizes
846 and agrees that such Federal assistance will be extended in reliance on the representations and
847 agreements made in this Article, and that the United States reserves the right to seek judicial
848 enforcement thereof.

849 24. Omitted.

850 CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

851 25. In addition to all other payments to be made by the Contractor pursuant to this
852 Contract, the Contractor shall pay to the United States, within 60 days after receipt of a bill and
853 detailed statement submitted by the Contracting Officer to the Contractor for such specific items

854 of direct cost incurred by the United States for work requested by the Contractor associated with
855 this Contract plus indirect costs in accordance with applicable Bureau of Reclamation policies
856 and procedures. All such amounts referred to in this Article shall not exceed the amount agreed
857 to in writing in advance by the Contractor. This Article shall not apply to costs for routine
858 contract administration.

859 WATER CONSERVATION

860 26. (a) Prior to the delivery of water provided from or conveyed through
861 Federally constructed or Federally financed facilities pursuant to this Contract, the Contractor
862 shall be implementing an effective water conservation and efficiency program based on the
863 Contractor's water conservation plan that has been determined by the Contracting Officer to meet
864 the conservation and efficiency criteria for evaluating water conservation plans established under
865 Federal law. The water conservation and efficiency program shall contain definite water
866 conservation objectives, appropriate economically feasible water conservation measures, and
867 time schedules for meeting those objectives. Continued Project Water delivery pursuant to this
868 Contract shall be contingent upon the Contractor's continued implementation of such water
869 conservation program. In the event the Contractor's water conservation plan or any revised water
870 conservation plan completed pursuant to subdivision (d) of Article 26 of this Contract have not
871 yet been determined by the Contracting Officer to meet such criteria, due to circumstances which
872 the Contracting Officer determines are beyond the control of the Contractor, water deliveries
873 shall be made under this Contract so long as the Contractor diligently works with the Contracting
874 Officer to obtain such determination at the earliest practicable date, and thereafter the Contractor
875 immediately begins implementing its water conservation and efficiency program in accordance
876 with the time schedules therein.

877 (b) Should the amount of M&I Water delivered pursuant to subdivision (a) of
878 Article 3 of this Contract equal or exceed 2,000 acre-feet per Year, the Contractor shall
879 implement the Best Management Practices identified by the time frames issued by the California

880 Urban Water Conservation Council for such M&I Water unless any such practice is determined
881 by the Contracting Officer to be inappropriate for the Contractor.

882 (c) The Contractor shall submit to the Contracting Officer a report on the
883 status of its implementation of the water conservation plan on the reporting dates specified in the
884 then existing conservation and efficiency criteria established under Federal law.

885 (d) At five-year intervals, the Contractor shall revise its water conservation
886 plan to reflect the then-current conservation and efficiency criteria for evaluating water
887 conservation plans established under Federal law and submit such revised water management
888 plan to the Contracting Officer for review and evaluation. The Contracting Officer will then
889 determine if the water conservation plan meets Bureau of Reclamation's then-current
890 conservation and efficiency criteria for evaluating water conservation plans established under
891 Federal law.

892 (e) If the Contractor is engaged in direct ground-water recharge, such activity
893 shall be described in the Contractor's water conservation plan.

894 EXISTING OR ACQUIRED WATER OR WATER RIGHTS

895 27. Except as specifically provided in Article 17 of this Contract, the provisions of
896 this Contract shall not be applicable to or affect non-Project water or water rights now owned or
897 hereafter acquired by the Contractor or any user of such water within the Contractor's Service
898 Area. Any such water shall not be considered Project Water under this Contract. In addition,
899 this Contract shall not be construed as limiting or curtailing any rights which the Contractor or
900 any water user within the Contractor's Service Area acquires or has available under any other
901 contract pursuant to Federal Reclamation law.

902 28. Omitted.

903 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

904 29. The expenditure or advance of any money or the performance of any obligation of
905 the United States under this Contract shall be contingent upon appropriation or allotment of

906 funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any
907 obligations under this Contract. No liability shall accrue to the United States in case funds are
908 not appropriated or allotted.

909 BOOKS, RECORDS, AND REPORTS

910 30. (a) The Contractor shall establish and maintain accounts and other books and
911 records pertaining to administration of the terms and conditions of this Contract, including: the
912 Contractor's financial transactions, water supply data, and Project land and right-of-way
913 agreements; the water users' land-use (crop census), land ownership, land-leasing and water use
914 data; and other matters that the Contracting Officer may require. Reports thereon shall be
915 furnished to the Contracting Officer in such form and on such date or dates as the Contracting
916 Officer may require. Subject to applicable Federal laws and regulations, each party to this
917 Contract shall have the right during office hours to examine and make copies of the other party's
918 books and records relating to matters covered by this Contract.

919 (b) Notwithstanding the provisions of subdivision (a) of this Article, no
920 books, records, or other information shall be requested from the Contractor by the Contracting
921 Officer unless such books, records, or information are reasonably related to the administration or
922 performance of this Contract. Any such request shall allow the Contractor a reasonable period of
923 time within which to provide the requested books, records, or information.

924 (c) Omitted.

925 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

926 31. (a) The provisions of this Contract shall apply to and bind the successors and
927 assigns of the parties hereto, but no assignment or transfer of this Contract or any right or interest
928 therein shall be valid until approved in writing by the Contracting Officer.

929 (b) The assignment of any right or interest in this Contract by either party
930 shall not interfere with the rights or obligations of the other party to this Contract absent the
931 written concurrence of said other party.

932 (c) The Contracting Officer shall not unreasonably condition or withhold his
933 approval of any proposed assignment.

934 SEVERABILITY

935 32. In the event that a person or entity who is neither (i) a party to a Project contract,
936 nor (ii) a person or entity that receives Project Water from a party to a Project contract, nor

937 (iii) an association or other form of organization whose primary function is to represent parties to
938 Project contracts, brings an action in a court of competent jurisdiction challenging the legality or
939 enforceability of a provision included in this Contract and said person, entity, association, or
940 organization obtains a final court decision holding that such provision is legally invalid or
941 unenforceable and the Contractor has not intervened in that lawsuit in support of the plaintiff(s),
942 the parties to this Contract shall use their best efforts to (i) within 30 days of the date of such
943 final court decision identify by mutual agreement the provisions in this Contract which must be
944 revised, and (ii) within three months thereafter promptly agree on the appropriate revision(s).
945 The time periods specified above may be extended by mutual agreement of the parties. Pending
946 the completion of the actions designated above, to the extent it can do so without violating any
947 applicable provisions of law, the United States shall continue to make the quantities of Project
948 Water specified in this Contract available to the Contractor pursuant to the provisions of this
949 Contract which were not found to be legally invalid or unenforceable in the final court decision.

950 RESOLUTION OF DISPUTES

951 33. Should any dispute arise concerning any provisions of this Contract, or the
952 parties' rights and obligations thereunder, the parties shall meet and confer in an attempt to
953 resolve the dispute. Prior to the Contractor commencing any legal action, or the Contracting
954 Officer referring any matter to Department of Justice, the party shall provide to the other party
955 30 days' written notice of the intent to take such action; Provided, That such notice shall not be
956 required where a delay in commencing an action would prejudice the interests of the party that
957 intends to file suit. During the 30-day notice period, the Contractor and the Contracting Officer
958 shall meet and confer in an attempt to resolve the dispute. Except as specifically provided,
959 nothing herein is intended to waive or abridge any right or remedy that the Contractor or the
960 United States may have.

961 OFFICIALS NOT TO BENEFIT

962 34. No Member of or Delegate to Congress, Resident Commissioner, or official of the
963 Contractor shall benefit from this Contract other than as a water user or landowner in the same
964 manner as other water users or landowners.

965 CHANGES IN CONTRACTOR'S SERVICE AREA

966 35. (a) While this Contract is in effect, no change may be made in the
967 Contractor's Service Area by inclusion or exclusion of lands, dissolution, consolidation, merger,
968 or otherwise, except upon the Contracting Officer's written consent.

969 (b) Within 30 days of receipt of a request for such a change, the Contracting
970 Officer will notify the Contractor of any additional information required by the Contracting
971 Officer for processing said request, and both parties will meet to establish a mutually agreeable
972 schedule for timely completion of the process. Such process will analyze whether the proposed
973 change is likely to: (i) result in the use of Project Water contrary to the terms of this Contract;
974 (ii) impair the ability of the Contractor to pay for Project Water furnished under this Contract or
975 to pay for any Federally-constructed facilities for which the Contractor is responsible; and
976 (iii) have an impact on any Project Water rights applications, permits, or licenses. In addition,
977 the Contracting Officer shall comply with the NEPA and ESA. The Contractor will be
978 responsible for all costs incurred by the Contracting Officer in this process, and such costs will
979 be paid in accordance with Article 25 of this Contract.

980 FEDERAL LAWS

981 36. By entering into this Contract, the Contractor does not waive its rights to contest
982 the validity or application in connection with the performance of the terms and conditions of this
983 Contract of any Federal law or regulation; Provided, That the Contractor agrees to comply with
984 the terms and conditions of this Contract unless and until relief from application of such Federal
985 law or regulation to the implementing provision of the Contract is granted by a court of
986 competent jurisdiction.

987

NOTICES

988 37. Any notice, demand, or request authorized or required by this Contract shall be
989 deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or
990 delivered to the Area Manager, Bureau of Reclamation, 7794 Folsom Dam Road, Folsom,
991 California 95630-1799, and on behalf of the United States, when mailed, postage prepaid, or
992 delivered to the Board of Directors of the El Dorado Irrigation District, 2890 Mosquito Road,
993 Placerville, California 95667. The designation of the addressee or the address may be changed
994 by notice given in the same manner as provided in this Article for other notices.

995

CONFIRMATION OF CONTRACT

996 38. The Contractor, after the execution of this Contract, shall furnish to the
997 Contracting Officer evidence that pursuant to the laws of the State of California, the Contractor
998 is a legally constituted entity and the Contract is lawful, valid, and binding on the Contractor.
999 This Contract shall not be binding on the United States until such evidence has been provided to
1000 the Contracting Officer's satisfaction.

Contract No. 14-06-200-1357A-LTR1

1001 IN WITNESS WHEREOF, the parties hereto have executed this Contract as of
1002 the day and year first above written.

1003 THE UNITED STATES OF AMERICA

1004 APPROVED AS TO LEGAL
1005 FORM AND SUFFICIENCY
1006 *James E. [Signature]*
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

By: *John F. Davis*
Regional Director, Mid-Pacific Region
Bureau of Reclamation

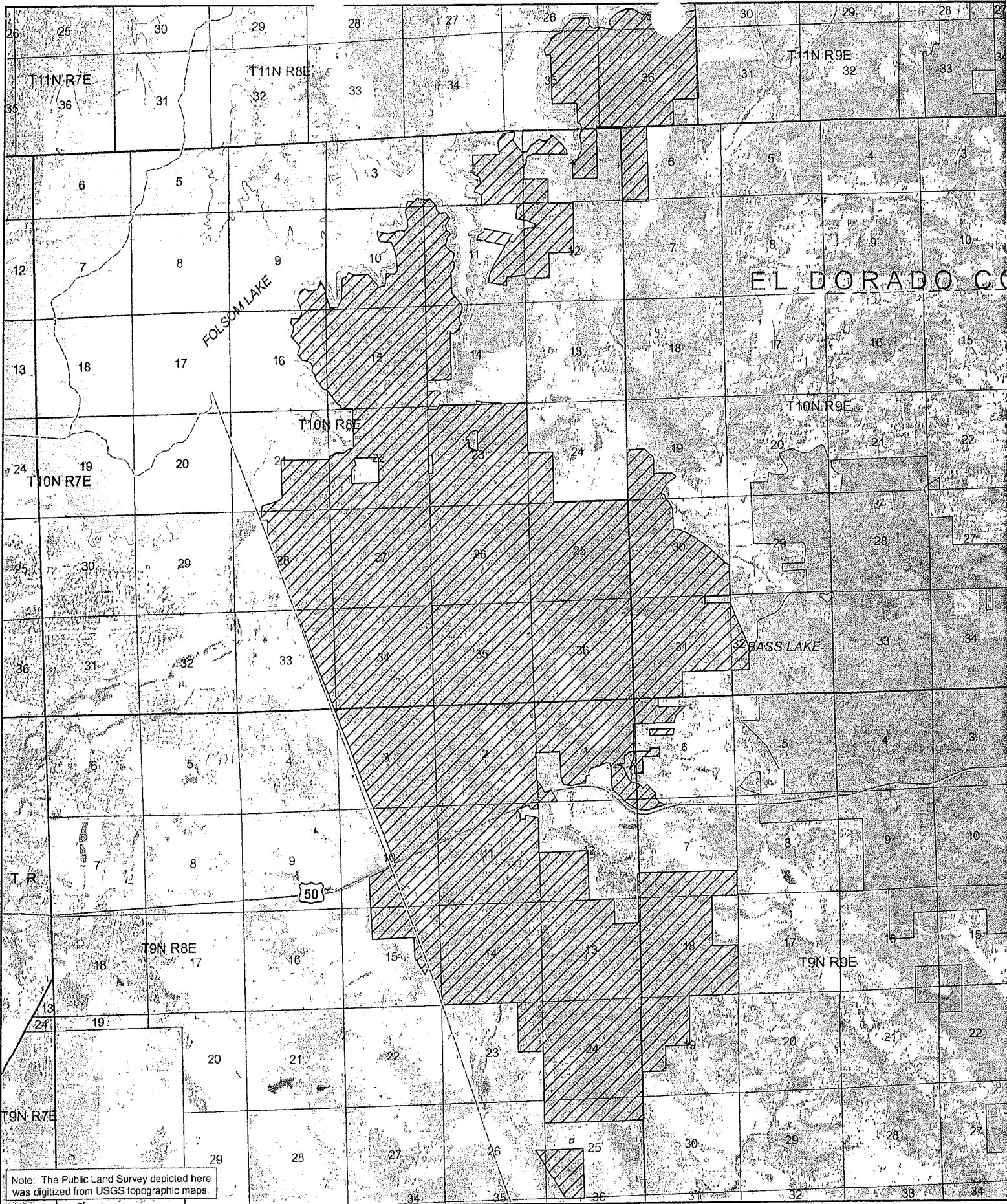
1007 EL DORADO IRRIGATION DISTRICT

1008 By: *Andrew D. Austin*
1009 General Manager
El Dorado Irrigation District

1010 Attest:

1011 By: *Andrew D. Austin*
1012 Secretary
1013 El Dorado Irrigation District

El Dorado Irrigation District WSA - Appendix A



Note: The Public Land Survey depicted here was digitized from USGS topographic maps

El Dorado I.D. - Folsom Service Area

Contract No. 14-06-200-1357A-LTR-1

Exhibit A

- Contractor's CVP Service Area
- District Boundary

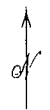


EXHIBIT B
 2006 Water Rates and Charges
 EL DORADO IRRIGATION DISTRICT

	2006 Rates Per Acre-Foot M&I
Cost-Of-Service (COS) Rate (1 st Tier – ≤ 80% of Contract Total)	\$15.00
2 nd Tier [>80% <90% of Contract Total] (M&I Full Cost Rate + COS Rate/2)	\$15.00
3 rd Tier [>90% of Contract Total] (M&I Full Cost Rate)	\$15.00
M&I Full Cost Rate ¹	\$15.00
Surcharges Under P.L. 102-575 to Restoration Fund ² Restoration Payments [3407(d)(2)(A)]	\$16.49

Note: Additional detail of rate components is available on the Internet at www.mp.usbr.gov/cvpwaterrates/

¹ Interest rates used in the calculation of the M&I Full Cost Rate shall comply with the Interest Rate methodology contained in Section 202(3)(B) and (C) of the Reclamation Reform Act of October 12, 1982 (96 Stat. 1263), as amended.

² The surcharges are payments in addition to the water rates and are determined pursuant to Title XXXIV of P.L. 102-575. Restoration Fund surcharged under P.L. 102-575 are on a fiscal year basis (10/01-9/30).

1 RESOLUTION NO. 06-18
2 THE BOARD OF DIRECTORS OF
3 EL DORADO IRRIGATION DISTRICT
4 APPROVING AND AUTHORIZING THE SIGNING OF THE LONG TERM RENEWAL
5 CONTRACT BETWEEN THE UNITED STATES AND EL DORADO IRRIGATION
6 DISTRICT PROVIDING FOR PROJECT WATER SERVICE AT FOLSOM RESERVOIR

7 **WHEREAS**, the EL DORADO IRRIGATION DISTRICT (“District”) and the United
8 States entered into Contract No. 14-06-200-1357A-LTRI which expires on February 28, 2006,
9 unless renewed, which entitles the District to 7,550 acre annual feet of Central Valley Project
10 Water at Folsom Reservoir; and

11 **WHEREAS**, the District and the United States engaged in negotiations to renew the
12 District’s CVP project water service contract at Folsom Reservoir in accordance with the
13 provisions of the Central Valley Project Improvements Act (section 3404 (c) of title 34 of Public
14 Law 102-575) and other federal reclamation laws; and

15 **WHEREAS**, the new long term Renewal Contract is for a 40 year contract period; and

16 **NOW, THEREFORE BE IT, AND IT IS HEREBY RESOLVED** by the Board of
17 Directors of the EL DORADO IRRIGATION DISTRICT to approve and authorize the signing of
18 the “Long Term Renewal Contract No. 14-06-200-1357A-LTRI between the United States and EL
19 DORADO IRRIGATION DISTRICT providing for Project Water Service at Folsom Reservoir
20 from the Delta Division – Central Valley Project, California,” and authorize the General Manager
21 to execute the contracts.

22 The foregoing resolution was introduced at a regular meeting of the Board of Directors of
23 EL DORADO IRRIGATION DISTRICT, held on the 27th day of February, 2006, by Director
24 Wheeldon, who moved its adoption. The motion was seconded by Vice President George, and a
25 poll vote taken which stood as follows:

26 AYES: Wheeldon, George, Osborne, Fraser, and Norris

27 NOES: None

28 ABSENT: None

29 //

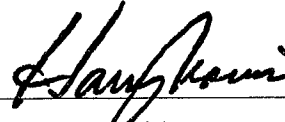
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The motion having a majority of votes "Aye", the resolution was declared to have been adopted, and it was so ordered.



Harry J. Norris, President
Board of Directors of
EL DORADO IRRIGATION DISTRICT

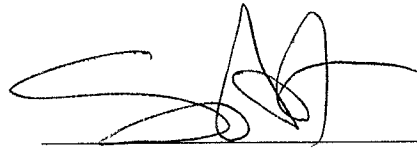


Stacey August, Clerk to the Board
EL DORADO IRRIGATION DISTRICT

(EL DORADO IRRIGATION DISTRICT SEAL)

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I, the undersigned, Clerk to the Board of the EL DORADO IRRIGATION DISTRICT hereby certify that the foregoing resolution is a full, true and correct copy of a resolution of the Board of Directors of the EL DORADO IRRIGATION DISTRICT entered into and adopted at a regular meeting of the Board of Directors held on the 27th day of February, 2006.



Stacey August, Clerk to the Board
EL DORADO IRRIGATION DISTRICT

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Warren Act Contract
M&I Only
Contract No. 06-WC-20-3315

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

CONTRACT FOR CONVEYANCE OF NON-PROJECT WATER
BETWEEN THE UNITED STATES
AND
EL DORADO IRRIGATION DISTRICT

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Warren Act Contract
M&I Only
Contract No. 06-WC-20-3315

1 UNITED STATES
2 DEPARTMENT OF THE INTERIOR
3 BUREAU OF RECLAMATION
4 Central Valley Project, California

5 CONTRACT FOR CONVEYANCE OF NON-PROJECT WATER
6 BETWEEN THE UNITED STATES
7 AND
8 EL DORADO IRRIGATION DISTRICT

9 THIS CONTRACT, made this 9th day of September, 2010, pursuant

10 to the Act of June 17, 1902 (32 Stat. 388), as amended and supplemented; the Act of
11 February 21, 1911 (36 Stat. 925); Section 305 of the Act of March 5, 1992 (106 Stat. 59); and
12 Title XXXIV of the Act of October 30, 1992, the Central Valley Project Improvement Act
13 (106 Stat. 4706), all collectively hereinafter referred to as Federal Reclamation law, between the
14 UNITED STATES OF AMERICA, hereinafter referred to as the United States, acting through
15 the Bureau of Reclamation, hereinafter referred to as the Contracting Officer, and the
16 EL DORADO IRRIGATION DISTRICT, hereinafter referred to as the Contractor;

17 WITNESSETH, That:

18 EXPLANATORY RECITALS

19 WHEREAS, the United States has constructed and is operating the Central Valley
20 Project (Project), California, for diversion, storage, carriage, distribution and beneficial use, flood
21 control, irrigation, municipal, domestic, industrial, fish and wildlife mitigation, protection and
22 restoration, generation and distribution of electric energy, salinity control, navigation and other
23 beneficial uses, of waters of the Sacramento River, the American River, the Trinity River, and
24 the San Joaquin River and their tributaries; and

25 WHEREAS, the Contractor has or will acquire a supply of Non-Project Water and
26 has requested that the United States convey said Non-Project Water through Excess Capacity in
27 Project Facilities for municipal and industrial (M&I) purposes; and

28 WHEREAS, the Contractor and its customers have relied upon the sources of
29 Non-Project Water identified in Exhibit C, for more than 50 years, and the Contractor considers
30 them to be an essential portion of its water supply; and

31 WHEREAS, the United States is willing to convey said Non-Project Water to the
32 Contractor through Excess Capacity in Project Facilities in accordance with the terms and
33 conditions herein stated, and has determined that the conveyance of Non-Project Water by the
34 United States through the Project Facilities, in accordance with the terms and conditions of this
35 Contract, will not be detrimental to the water service of the Project; and

36 WHEREAS, the Contractor and Contracting Officer recognize that this Contract
37 does not grant any permission or entitlement to the Contractor to extract or divert from its
38 sources the Non-Project Water supply conveyed pursuant to this Contract; and

39 WHEREAS, the United States will consider, in good faith, the Contractor's
40 requests for future renewal of this Contract, to the extent that Excess Capacity in Project
41 Facilities exists at the time of renewal, and to the extent that renewal of this Contract would
42 not contravene then-applicable law, including but not limited to the Act of February 21, 1911
43 (36 Stat. 925) and other Federal Reclamation laws.

44 NOW, THEREFORE, in consideration of the covenants herein contained, the
45 parties hereto agree as follows:

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DEFINITIONS

1. When used herein, the term:

(a) “Calendar Year” shall mean the period January 1 through December 31,

both dates inclusive;

(b) “Contracting Officer” shall mean the Secretary of the Interior’s (Secretary)

duly authorized representative acting pursuant to this Contract or applicable Reclamation law or regulation;

(c) “Contractor’s Point of Delivery” shall mean the Folsom Lake Raw Water

Pump Station on the south shore of the Folsom Reservoir or any replacement thereof, and/or any other additional point or points of delivery as may be mutually agreed to in writing by the Contracting Officer and the Contractor;

(d) “Excess Capacity” shall mean the capacity of the Project Facilities not

needed to store and/or convey Project Water as determined by the Contracting Officer;

(e) “M&I Water” shall mean Non-Project Water used for other than the

commercial production of agricultural crops or livestock, including domestic use incidental thereto;

(f) “Non-Project Water” shall mean water acquired by or available to the

Contractor from the source(s) identified in Exhibit C, attached hereto and incorporated herein by reference;

(g) “Project” shall mean the Central Valley Project owned by the United

States and operated by the Department of the Interior, Bureau of Reclamation;

(h) “Project Facilities” shall mean the Folsom Reservoir;

68 (i) "Project Water" shall mean all water that is developed, diverted, stored, or
69 delivered by the United States in accordance with the statutes authorizing the Project and in
70 accordance with the terms and conditions of applicable water rights permits and licenses acquired
71 by and/or issued to the United States pursuant to California law;

72 (j) "Rates" shall mean the payments determined annually by the Contracting
73 Officer in accordance with the then-current applicable water ratesetting policies for the Project;

74 (k) "Secretary" shall mean the Secretary of the Interior, a duly appointed
75 successor, or an authorized representative;

76 (l) "Water Service Contract" shall mean Contract No. 14-06-200-1357A-LTR1
77 between the United States and the Contractor, or in any amendment, extension, or renewal
78 thereof, for a supply of Project Water;

79 (m) "Year" shall mean the period March 1 of each Calendar Year through the
80 last day of February of the following Calendar Year, both dates inclusive.

81 TERM OF CONTRACT

82 2. (a) This Contract shall become effective on March 1, 2011, and shall remain
83 in effect through February 28, 2051, unless terminated by operation of law or by mutual
84 agreement of the parties hereto: Provided, That upon 30 days' advance written notice to the
85 Contractor, this Contract may also be terminated by the Contracting Officer at an earlier date, if
86 the Contracting Officer determines that the Contractor has not been complying with one or more
87 of the terms and conditions of this Contract unless the Contractor can show full compliance or a
88 time schedule for compliance that is satisfactory to the Contracting Officer within the 30-day
89 notice period.

90 (b) The Contractor shall promptly notify the Contracting Officer if and when
91 the Contractor ceases to have any right to the use of the Non-Project Water being conveyed
92 pursuant to this Contract.

93 INTRODUCTION, CONVEYANCE, AND DELIVERY OF
94 NON-PROJECT WATER

95 3. (a) During the term of this Contract, the Contractor may cause up to 4,560
96 acre-feet of Non-Project Water each Year to be introduced into the Project Facilities from the
97 source(s) identified in Exhibit C. The United States shall convey said water to the Contractor's
98 Point of Delivery through Excess Capacity in Project Facilities in accordance with a schedule, or
99 any revision or revisions thereof, submitted by the Contractor and approved by the Contracting
100 Officer during the term hereof. If at any time the Contracting Officer determines that there will
101 not be Excess Capacity in Project Facilities sufficient to receive, transport, and convey the
102 Non-Project Water in accordance with the approved schedule, the Contracting Officer shall so
103 notify the Contractor in writing. Within 24 hours of said notice, the Contractor shall revise its
104 schedule accordingly.

105 (b) The quantity(ies) of Non-Project Water conveyed to the Contractor
106 through Project Facilities in any 30-day period shall not exceed the quantity of Non-Project
107 Water previously introduced into the Project Facilities by the Contractor less the conveyance
108 loss(es) identified in Exhibit C.

109 (c) Exhibit C may be modified or replaced to reflect any changes to the
110 source(s) of Non-Project Water or the quantity(ies) of conveyance loss(es), as determined by the
111 Contracting Officer based on operational history, without amending this Contract.

112 (d) The Non-Project Water shall be used for M&I purposes only.

113 (e) Non-Project Water introduced into the Project Facilities shall be accounted
114 for on a “first-in, first-out” basis. Non-Project Water that is introduced into the Project Facilities
115 by the Contractor and remains there for more than 30 days shall be deemed to be unused water
116 available to the United States for Project purposes. Similarly, Non-Project Water that is
117 introduced into the Project Facilities and remains there after the expiration of this Contract shall
118 also be deemed unused water available to the United States for Project purposes.

119 (e.1) In the event it becomes necessary for the Contracting Officer to spill water
120 from the Project Facilities for flood control or any other purpose, the quantity of water first
121 spilled shall be deemed to be the Contractor’s Non-Project Water to the extent that such water
122 has been and/or is being introduced into the Project Facilities: Provided, That the Contracting
123 Officer will to the extent possible inform the Contractor by written notice, or otherwise, of
124 any spill from the Project Facilities: Provided further, That to the extent the Contractor has
125 Non-Project Water being introduced into the Project Facilities after the Contractor has been
126 informed of a pending spill, such water so introduced shall be delivered to the Contractor at the
127 Contractor’s request to the extent the United States is able to do so as conclusively determined by
128 the Contracting Officer.

129 (f) The Contractor shall be responsible for the acquisition and payment of all
130 electrical power and associated transmission service charges required to pump the Non-Project
131 Water from the Contractor’s Point of Delivery. Conveyance of Non-Project Water pursuant to
132 this Contract will not be supported with Project-use power.

133 (g) The Contractor shall utilize the Non-Project Water conveyed pursuant to
134 this Contract in accordance with all requirements of any applicable biological opinion(s) in effect

135 during the term of this Contract, including but not limited to all biological opinions for the joint
 136 operations of the Central Valley Project and the State water project.

137 (h) The Contracting Officer and the Contractor acknowledge and agree that
 138 the Bureau of Reclamation and the Contractor have entered into Cooperative Agreement
 139 No. 05FC201041 (Cooperative Agreement) and that this Cooperative Agreement remains in
 140 full force and effect as of the effective date of this Contract and is attached to this Contract as
 141 Exhibit D. Under the terms of this Cooperative Agreement, the contractor has agreed to
 142 construct a temperature control device (TCD) and associated temperature monitoring facilities,
 143 and the Contractor, upon completion of the TCD, will withdraw the Non-Project Water through
 144 the TCD at the Contractor's Point(s) of Delivery. In no event will the Contractor withdraw water
 145 at the Contractor's Point(s) of Delivery from an elevation below 310 feet mean sea level (msl).

146 (i) All Non-Project Water conveyed to the Contractor pursuant to this
 147 Contract shall be measured and recorded with equipment furnished, installed, operated, and
 148 maintained by the Contractor. Upon request by the Contracting Officer, the Contractor shall
 149 investigate the accuracy of such measurements and shall take all necessary steps to adjust any
 150 errors appearing therein.

151 SCHEDULING AND REPORTING OBLIGATIONS OF THE CONTRACTOR

152 4. (a) On or before March 1 of each Calendar Year, or at such other times as the
 153 Contracting Officer determines to be necessary, the Contractor shall submit to the Contracting
 154 Officer a written schedule, satisfactory to the Contracting Officer, showing the dates and
 155 estimated monthly quantities of Non-Project Water to be introduced into the Project Facilities
 156 and conveyed by the United States to the Contractor pursuant to this Contract for the upcoming

157 Year. During each month, the Contractor will revise said schedule if necessary to reflect the
158 actual quantity(ies) of Non-Project Water introduced into the Folsom Reservoir and conveyed by
159 the United States to the Contractor pursuant to this Contract.

160 (b) For each month, before the 10th day of the succeeding month, the
161 Contractor shall furnish a monthly report of daily operations that is satisfactory to the
162 Contracting Officer which tabulates the Contractor's rights to the natural flow in the South Fork
163 of the American River and its tributaries, the quantity of releases from the Contractor's upstream
164 storage, and the quantity of Non-Project Water introduced into Project Facilities pursuant to this
165 Contract, and the actual daily quantities of Non-Project Water taken by the Contractor at the
166 Contractor's Point(s) of Delivery. At the same time, the Contractor shall provide the
167 Contracting Officer with operational reports demonstrating that the Contractor has operated its
168 upstream reservoirs and other facilities in such a manner as to make sufficient water available in
169 Project Facilities for subsequent delivery of Non-Project Water to the Contractor pursuant to the
170 Contractor's direct diversion and re-diversion rights under its State water rights for each month.
171 The reports shall include the quantity(ies) of releases from the Contractor's upstream storage; the
172 quantity(ies) of Non-Project Water introduced into Project Facilities; and water flows in Weber
173 Creek downstream from Farmers Free Ditch, in Hangtown Creek downstream from Gold Hill
174 Ditch, in Slab Creek downstream from Summerfield Ditch, and in Weber Creek near the
175 confluence with the South Fork American River. The reports to the Contracting Officer shall be
176 provided in paper and electronic formats approved by the Contracting Officer, with
177 measurements of water in daily mean cubic feet per second and monthly acre-feet. In addition,
178 the Contractor shall provide the Contracting Officer with copies of all reports on water rights,

179 stream flows and diversions that are required during the term of this Contract by the California
180 State Water Resources Control Board under License 2184, or by the California Department of
181 Fish and Game under any operating agreement.

182 (c) The Contractor shall advise the Contracting Officer on or before the 10th
183 calendar day of each month of the actual daily quantities of Non-Project Water taken during the
184 previous month by the Contractor at the Contractor's Point(s) of Delivery pursuant to this
185 Contract.

186 PAYMENT FOR CONVEYANCE

187 5. (a) The Rates to be paid to the United States for Non-Project Water conveyed
188 pursuant to this Contract are set forth in Exhibit B and are subject to annual adjustment pursuant
189 to the then-current M&I Ratesetting Policy for the Project to cover all costs incurred from the
190 conveyance of Non-Project Water.

191 (b) By December 31 of each Calendar Year, the Contracting Officer shall
192 provide the Contractor with the final Rates to be in effect for the upcoming Year, and such
193 notification shall revise Exhibit B without amending this contract.

194 (c) The Contractor shall pay for Non-Project Water conveyed pursuant to this
195 Contract at the cost-of-service rate as calculated in accordance with the then-current M&I
196 Ratesetting Policy for the Project.

197 (d) At the time the Contractor submits an initial schedule for the conveyance
198 of Non-Project Water pursuant to subdivision (a) of Article 4 of this Contract, the Contractor
199 shall pay the Contracting Officer one-half of the total amount payable for the Non-Project Water
200 scheduled to be conveyed for the Year. The Contractor shall pay the remainder of the amount

201 payable for Non-Project Water scheduled to be conveyed for the Year on or before June 1 of the
202 respective Year. Non-Project Water shall not be conveyed in advance of payment. Final
203 adjustment between the advance payments for the Non-Project Water scheduled and payments
204 for the quantities of Non-Project Water conveyed during each Year pursuant to this Contract
205 shall be made as soon as practicable but no later than April 30th of the following Year.

206 (e) All revenues received from the use of Project Facilities, pursuant to
207 subdivision (a) of this Article for conveyance of Non-Project M&I water, shall be deposited into
208 the Reclamation fund for use under the terms of the Reclamation Act as provided in Section 3 of
209 the Act of February 21, 1911 (36 Stat. 925): Provided, That if the Act of February 21, 1911, is
210 amended, superseded, or replaced, any new provisions addressing the distribution of revenues
211 will apply to this Contract at the earliest possible date under the law.

212 (f) No refund shall be made by the United States to the Contractor of the
213 payments made for conveyance of Non-Project Water introduced into the Project Facilities which
214 remains therein for more than 30 days as described in subdivision (e) of Article 3.

215 (g) If at any time the Contractor diverts more Non-Project Water from
216 Project Facilities than the quantity that was introduced pursuant to subdivision (b) of Article 3 of
217 this Contract, that additional quantity of Non-Project Water shall be deemed Project M&I Water.
218 Payment for such Project Water shall be made at the applicable rate identified in the Contractor's
219 Water Service Contract: and the quantity of such Project Water will be deducted from the
220 quantity of Project Water to which the Contractor is entitled under the Contractor's Water Service
221 Contract.

222 (h) If the conditions identified in subdivision (g) of this Article arise, and it is
223 determined by the Contracting Officer that the Contractor has utilized all of its Project Water
224 available under the Contractor's Water Service Contract, the Contractor shall make available
225 additional Non-Project Water to be introduced into the Project Facilities which is sufficient to
226 equal the quantity of water actually used, including the quantity(ies) of conveyance loss(es)
227 specified in Exhibit C, and shall pay for this additional Non-Project Water at the Rates identified
228 in Exhibit B.

229 UNITED STATES NOT RESPONSIBLE FOR CONVEYANCE OF NON-PROJECT WATER

230 6. The United States shall not be responsible for the control, care, or distribution of
231 the Non-Project Water before it is introduced into Project Facilities or after it is conveyed to the
232 Contractor's Point(s) of Delivery.

233 ADJUSTMENTS

234 7. If the Contracting Officer determines the quantity of Non-Project Water conveyed
235 to the Contractor pursuant to this Contract is less than the quantity for which the Contractor
236 would otherwise have been required to pay, the amount of any overpayment by the Contractor
237 shall be applied first to any accrued indebtedness arising out of this Contract then due and owing
238 to the United States by the Contractor. Any amount of such overpayment then remaining shall be
239 refunded or credited to the Contractor, as directed by the Contractor.

240 UNITED STATES NOT LIABLE

241 8. (a) The United States, its officers, agents and employees, shall not be
242 responsible for the control, care, or distribution of the Non-Project Water before it is introduced
243 into or diverted from the Project Facilities. It is specifically understood by the parties hereto that

244 the United States is only providing conveyance capacity for the Non-Project Water and does not
 245 claim any interest in the acquisition or use of the Non-Project Water beyond the terms
 246 specifically set forth in this Contract.

247 (b) The Contractor shall indemnify and hold the United States and its officers,
 248 agents, and employees harmless from legal liability for every claim for damages of any nature
 249 whatsoever arising out of any action or omissions of the Contractor, its officers, agents and
 250 employees, resulting from the Contractor's performance of this Contract, including the manner or
 251 method in which the Non-Project Water identified in Exhibit C is introduced into and diverted
 252 from the Project Facilities. The Contractor further releases the United States, its officers, agents,
 253 and employees from every claim for damage to persons or property, direct or indirect, resulting
 254 from the Contracting Officer's (i) determinations of the amount of Excess Capacity available in
 255 Project Facilities for the conveyance of Non-Project Water to the Contractor, (ii) determination
 256 that the introduction of Non-Project Water into the Project Facilities must be terminated; and (iii)
 257 elimination from Exhibit C of any source(s) of Non-Project Water. Nothing contained in this
 258 Article shall be construed as an assumption of liability by the Contractor with respect to such
 259 matters.

260 OPINIONS AND DETERMINATIONS

261 9. (a) Where the terms of this Contract provide for actions to be based upon the
 262 opinion or determination of either party to this Contract, said terms shall not be construed as
 263 permitting such action to be predicated upon arbitrary, capricious, or unreasonable opinions or
 264 determinations. Both parties, notwithstanding any other provisions of this Contract, expressly
 265 reserve the right to relief from and appropriate adjustment for any such arbitrary, capricious, or

266 unreasonable opinion or determination. Each opinion or determination by either party shall be
267 provided in a timely manner: Provided, That nothing in this subdivision (a) of this Article is
268 intended to or shall affect or alter the standard of judicial review applicable under Federal law to
269 any opinion or determination implementing a specific provision of Federal law embodied in
270 statute or regulation.

271 (b) The Contracting Officer shall have the right to make determinations
272 necessary to administer this Contract that are consistent with the provisions of this Contract, the
273 laws of the United States and the State of California, and the rules and regulations promulgated
274 by the Secretary. Such determinations shall be made in consultation with the Contractor to the
275 extent reasonably practicable.

276 CONTRACTOR TO PAY CERTAIN MISCELLANEOUS COSTS

277 10. In addition to all other payments to be made by the Contractor pursuant to this
278 Contract, the Contractor shall pay to the United States, within 60 days after receipt of a bill and
279 detailed statement submitted by the Contracting Officer to the Contractor, for such specific items
280 of direct cost incurred by the United States for work requested by the Contractor associated with
281 this Contract plus indirect costs in accordance with applicable Reclamation policy and
282 procedures. All such amounts referred to in this Article shall not exceed the amount agreed to in
283 writing in advance by the Contractor. This Article shall not apply to costs for routine Contract
284 administration.

285 WATER CONSERVATION

286 11. (a) Prior to the delivery of water provided from or conveyed through federally
287 constructed or federally financed facilities pursuant to this Contract, the Contractor shall develop
288 a water conservation plan, as required by Section 210(b) of the Reclamation Reform Act of 1982
289 and 43 C.F.R. 427.1 (Water Conservation Rules and Regulations).

290 (b) The parties hereto acknowledge and agree that the water conservation
 291 plan/program the Contractor is currently implementing is satisfactory and has been approved by
 292 the Contracting Officer. Said water conservation plan/program shall be deemed to meet the
 293 requirements of subdivision (a) of this Article. Said water conservation plan/program shall be
 294 reviewed every 5 years and revised, as necessary, as determined by the Contracting Officer:
 295 Provided, That the Contractor, prior to the execution of this Contract, documents to the
 296 satisfaction of the Contracting Officer that the quantity of Non-Project Water to be conveyed
 297 pursuant to this Contract has been included into its approved water conservation plan/program
 298 and that all Non-Project Water shall be subject to such water conservation requirements.

299 MEDIUM FOR TRANSMITTING PAYMENTS

300 12. (a) All payments from the Contractor to the United States under this Contract
 301 shall be by the medium requested by the United States on or before the date payment is due. The
 302 required method of payment may include checks, wire transfers, or other types of payment
 303 specified by the United States.

304 (b) Upon execution of the Contract, the Contractor shall furnish the
 305 Contracting Officer with the Contractor's taxpayer's identification number (TIN). The purpose
 306 for requiring the Contractor's TIN is for collecting and reporting any delinquent amounts arising
 307 out of the Contractor's relationship with the United States.

308 CHARGES FOR DELINQUENT PAYMENTS

309 13. (a) The Contractor shall be subject to interest, administrative and penalty
 310 charges on delinquent payments. If a payment is not received by the due date, the Contractor
 311 shall pay an interest charge on the delinquent payment for each day the payment is delinquent
 312 beyond the due date. If a payment becomes 60 days delinquent, the Contractor shall pay, in
 313 addition to the interest charge, an administrative charge to cover additional costs of billing and
 314 processing the delinquent payment. If a payment is delinquent 90 days or more, the Contractor
 315 shall pay, in addition to the interest and administrative charges, a penalty charge for each day the
 316 payment is delinquent beyond the due date, based on the remaining balance of the payment due at
 317 the rate of 6 percent per year. The Contractor shall also pay any fees incurred for debt collection
 318 services associated with a delinquent payment.

319 (b) The interest charge rate shall be the greater of either the rate prescribed
 320 quarterly in the Federal Register by the Department of the Treasury for application to overdue
 321 payments, or the interest rate of 0.5 percent per month. The interest charge rate will be
 322 determined as of the due date and remain fixed for the duration of the delinquent period.

323 (c) When a partial payment on a delinquent account is received, the amount
 324 received shall be applied first to the penalty charges, second to the administrative charges, third
 325 to the accrued interest, and finally to the overdue payment.

326 PROTECTION OF WATER AND AIR QUALITY

327 14. (a) Project Facilities used to make available and deliver water to the
 328 Contractor shall be operated and maintained in the most practical manner to maintain the quality
 329 of the water at the highest level possible as determined by the Contracting Officer: Provided,
 330 That the United States does not warrant the quality of the water delivered to the Contractor and is
 331 under no obligation to furnish or construct water treatment facilities to maintain or improve the
 332 quality of water delivered to the Contractor.

333 (b) The Contractor shall comply with all applicable water and air pollution
 334 laws and regulations of the United States and the State of California; and shall obtain all required
 335 permits or licenses from the appropriate Federal, State, or local authorities necessary for the
 336 delivery of water by the Contractor; and shall be responsible for compliance with all Federal,
 337 State, and local water quality standards applicable to surface and subsurface drainage and/or
 338 discharges generated through the use of Federal or Contractor facilities or Project Water provided
 339 by the Contractor within the Contractor's Project Water Service Area.

340 (c) This article shall not affect or alter any legal obligations of the Secretary to
 341 provide drainage or other discharge services.

342 (d) The Non-Project water introduced into the Project Facilities shall be of
 343 such quality, as determined solely by the Contracting Officer, as to not significantly degrade the
 344 quality of the Project Water in the Project Facilities. If it is determined by the Contracting
 345 Officer that the quality of the Non-Project Water, identified in Exhibit C, will significantly
 346 degrade the quality of Project Water in the Project Facilities, the Contractor, upon receipt of
 347 written notice from the Contracting Officer, shall immediately take any and all reasonable
 348 action(s) within the Contractor's authority and control, to eliminate the source of such
 349 degradation. If, due to an unexpected event, the quality of the Non-Project Water is adversely

350 impacted, the Contractor shall immediately: (i) inform the Contracting Officer and the Central
351 Valley Operations (CVO) office of Reclamation in Sacramento, California by electronic means
352 of the adverse condition(s) impacting the quality of the Non-Project water; (ii) take all necessary
353 steps to mitigate the adverse condition(s); (iii) conduct any and all appropriate monitoring of the
354 source of the water quality degradation and shall report monitoring results to the Contracting
355 Officer and to CVO immediately upon receipt of such results; and (iv) take all reasonable steps
356 to terminate the introduction of the adversely impacted Non-Project water into the Project
357 Facilities. If the source of such degradation is beyond the authority and control of the Contractor,
358 the Contractor shall promptly notify the Contracting Officer in writing of the cause of such
359 degradation and report all available monitoring results from local, state, and federal agencies
360 with authority over such activity to the Contracting Officer and CVO. The Contractor will
361 continue to monitor and mitigate such adverse events until such time as the Contracting Officer
362 determines that the quality of the Non-Project Water will no longer significantly degrade the
363 quality of Project Water in the Project Facilities and notifies the Contractor of such fact in
364 writing.

365 GENERAL OBLIGATION – BENEFITS CONDITIONED UPON PAYMENT

366 15. (a) The obligation of the Contractor to pay the United States as provided in
367 this Contract is a general obligation of the Contractor notwithstanding the manner in which the
368 obligation may be distributed among the Contractor's water users and notwithstanding the default
369 of individual water users in their obligations to the Contractor.

370 (b) The payment of charges becoming due pursuant to this contract is a
371 condition precedent to receiving benefits under this Contract. The United States shall not make
372 water available to the Contractor through Project Facilities during any period in which the
373 Contractor is in arrears in the advance payment of water Rates due the United States. The
374 Contractor shall not deliver water under the terms and conditions of this contract for lands or
375 parties that are in arrears in the advance payment of water Rates as levied or established by the
376 Contractor.

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RULES, REGULATIONS, AND DETERMINATIONS

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16. (a) The parties agree that the delivery of water or the use of Federal facilities pursuant to this Contract is subject to Federal Reclamation law, as amended and supplemented, and the rules and regulations promulgated by the Secretary under Federal Reclamation law.

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(b) The Contracting Officer shall have the right to make determinations necessary to administer this Contract that are consistent with its provisions, the laws of the United States and the State of California, and the rules and regulations promulgated by the Secretary of the Interior. Such determinations shall be made in consultation with the Contractor.

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EQUAL EMPLOYMENT OPPORTUNITY

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17. During the performance of this Contract, the Contractor agrees as follows:

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(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, disability, or national origin. Such action shall include, but not be limited to the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

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(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, disability, or national origin.

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(c) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965 (EO 11246), and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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(d) The Contractor will comply with all provisions of EO 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

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(e) The Contractor will furnish all information and reports required by EO 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Agency and

412 the Secretary of Labor for purposes of investigation to ascertain compliance with such rules,
 413 regulations, and orders.

414 (f) In the event of the Contractor's noncompliance with the nondiscrimination
 415 clauses of this Contract or with any of the such rules, regulations, or orders, this Contract may be
 416 canceled, terminated or suspended in whole or in part and the Contractor may be declared
 417 ineligible for further Government contracts in accordance with procedures authorized in EO 11246,
 418 and such other sanctions may be imposed and remedies invoked as provided in EO 11246 or by
 419 rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

420 (g) The Contractor will include the provisions of paragraphs (a) through (g) in
 421 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
 422 Secretary of Labor issued pursuant to Section 204 of EO 11246, so that such provisions will be
 423 binding upon each subcontractor or vendor. The Contractor will take such action with respect to
 424 any subcontract or purchase order as may be directed by the Secretary of Labor as a means of
 425 enforcing such provisions, including sanctions for noncompliance: Provided, however, that in
 426 the event the Contractor becomes involved in, or is threatened with, litigation with a
 427 subcontractor or vendor as a result of such direction, the Contractor may request that the United
 428 States enter into such litigation to protect the interests of the United States.

429 BOOKS, RECORDS AND REPORTS

430 18. (a) The Contractor shall establish and maintain accounts and other books and
 431 records pertaining to administration of the terms and conditions of this Contract, including the
 432 Contractor's financial transactions; water supply data; project operation, maintenance, and
 433 replacement logs; project land and rights-of-way use agreements; the water users' land-use
 434 (crop census), land-ownership, land-leasing, and water-use data; and other matters that the
 435 Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such
 436 form and on such date or dates as the Contracting Officer may require. Subject to applicable
 437 Federal laws and regulations, each party to this Contract shall have the right during office hours
 438 to examine and make copies of the other party's books and records relating to matters covered by
 439 this Contract.

440 (b) Notwithstanding the provisions of subdivision (a) of this Article, no
 441 books, records, or other information shall be requested from the Contractor by the Contracting
 442 Officer unless such books, records, or information are reasonably related to the administration or
 443 performance of this Contract. Any such request shall allow the Contractor a reasonable period of
 444 time within which to provide the requested books, records, or information.

445 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

446 19. The expenditure or advance of any money or the performance of any obligation of
 447 the United States under this Contract shall be contingent upon appropriation or allotment of
 448 funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any
 449 obligations under this Contract. No liability shall accrue to the United States in case funds are
 450 not appropriated or allotted.

451 ASSIGNMENT LIMITED – SUCCESSORS AND ASSIGNS OBLIGATED

452 20. The provisions of this Contract shall apply to and bind the successors and assigns
 453 of the parties hereto, but no assignment or transfer of this Contract or any right or interest therein
 454 by either party shall be valid until approved in writing by the other party.

455 OFFICIALS NOT TO BENEFIT

456 21. No Member of or Delegate to the Congress, Resident Commissioner, or official of
 457 the Contractor shall benefit from this Contract other than as a water user or landowner in the
 458 same manner as other water users or landowners.

459 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

460 22. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964
 461 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
 462 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135, Title
 463 III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with Disabilities Act of 1990 (Pub. L.
 464 101-336; 42 U.S.C. § 12131, et seq.), and any other applicable civil rights laws, and with the
 465 applicable implementing regulations and any guidelines imposed by the United States
 466 Department of the Interior and/or Bureau of Reclamation.

467 (b) These statutes prohibit any person in the United States from being
 468 excluded from participation in, being denied the benefits of, or being otherwise subjected to
 469 discrimination under any program or activity receiving financial assistance from the Bureau of
 470 Reclamation on the grounds of race, color, national origin, disability, or age. By executing this
 471 Contract, the Contractor agrees to immediately take any measures necessary to implement this
 472 obligation, including permitting officials of the United States to inspect premises, programs, and
 473 documents.

474 (c) The Contractor makes this agreement in consideration of and for the
 475 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other
 476 Federal financial assistance extended after the date hereof to the Contractor by the Bureau of
 477 Reclamation, including installment payments after such date on account of arrangements for
 478 Federal financial assistance which were approved before such date. The Contractor recognizes
 479 and agrees that such Federal assistance will be extended in reliance on the representations and

480 agreements made in this Article and that the United States reserves the right to seek judicial
481 enforcement thereof.

482 (d) Complaints of discrimination against the Contractor shall be investigated
483 by the Contracting Officer's Office of Civil Rights.

484 CERTIFICATION OF NONSEGREGATED FACILITIES

485 23. The Contractor hereby certifies that it does not maintain or provide for its
486 employees any segregated facilities at any of its establishments and that it does not permit its
487 employees to perform their services at any location under its control where segregated facilities
488 are maintained. It certifies further that it will not maintain or provide for its employees any
489 segregated facilities at any of its establishments and that it will not permit its employees to
490 perform their services at any location under its control where segregated facilities are maintained.
491 The Contractor agrees that a breach of this certification is a violation of the Equal Employment
492 Opportunity clause in this Contract. As used in this certification, the term "segregated facilities"
493 means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating
494 areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking
495 fountains, recreation or entertainment areas, transportation, and housing facilities provided for
496 employees which are segregated by explicit directive or are in fact segregated on the basis of
497 race, creed, color, or national origin, because of habit, local custom, disability, or otherwise. The
498 Contractor further agrees that (except where it has obtained identical certifications from proposed
499 subcontractors for specific time periods) it will obtain identical certifications from proposed
500 subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from
501 the provisions of the Equal Employment Opportunity clause; that it will retain such certifications
502 in its files; and that it will forward the following notice to such proposed subcontractors (except
503 where the proposed subcontractors have submitted identical certifications for specific time
504 periods):

505 NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR
506 CERTIFICATIONS OF NONSEGREGATED FACILITIES

507 A Certification of Nonsegregated Facilities must be submitted prior to the award of a
508 subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal
509 Employment Opportunity clause. The certification may be submitted either for each
510 subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or
511 annually). Note: The penalty for making false statements in offers is prescribed in 18
512 U.S.C. 1001.

513 CHANGES IN CONTRACTOR'S ORGANIZATION

514 24. While this Contract is in effect, no change may be made in the Contractor's
515 organization, which may affect the respective rights, obligations, privileges, and duties of either
516 the United States or the Contractor under this Contract including, but not limited to, dissolution,

517 consolidation, or merger, except upon the Contracting Officer's written consent. For purposes of
518 this Contract, the inclusion or exclusion of lands is not a change in the Contractor's organization
519 that is subject to this Article.

520 CONFIRMATION OF CONTRACT

521 25. Promptly after the execution of this Contract, the Contractor shall provide to the
522 Contracting Officer a certified copy of a final decree of a court of competent jurisdiction in the
523 State of California, confirming the proceedings on the part of the Contractor for the authorization
524 of the execution of this Contract. This Contract shall not be binding on the United States until
525 such final decree has been secured.

526 CONTRACT DRAFTING CONSIDERATIONS

527 26. This Contract has been negotiated and reviewed by the parties hereto, each of
528 whom is sophisticated in the matters to which this Contract pertains. Articles 1 through 27 of
529 this Contract have been drafted, negotiated and reviewed by the parties, and no one party shall be
530 considered to have drafted the stated articles.

531 NOTICES

532 27. Any notice, demand, or request authorized or required by this Contract shall be
533 deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or
534 delivered to the Area Manager, Bureau of Reclamation, 7794 Folsom Dam Road, Folsom,
535 California 95630-1799, and on behalf of the United States, when mailed, postage prepaid, or
536 delivered to the Board of Directors, El Dorado Irrigation District, Attention: General Manager,
537 2890 Mosquito Road, Placerville, California 95667. The designation of the addressee or the
538 address may be changed by notice given in the same manner as provided in this Article for other
539 notices.

540 IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day
541 and year first above written.

542 THE UNITED STATES OF AMERICA

APPROVED AS TO LEGAL
FORM AND SUFFICIENCY
James E. Turner
OFFICE OF REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

By: *Donald P. Deason*
Regional Director, Mid-Pacific Region
Bureau of Reclamation

546 (SEAL)

547 EL DORADO IRRIGATION DISTRICT

By: *Jim Abernethy*
General Manager


550 Attest:

551 By: *K.A. Orin*
552 Clerk to the Board of Directors
553 El Dorado Irrigation District

Reviewed & Approved on: 8/25/10
William J. King
EID General Counsel's Office
as to form

El Dorado Irrigation District WSA - Appendix A



-  Contract Service Area
-  District Boundary

El Dorado Irrigation District
 Contract No. 06-WC-20-3315
 Exhibit A



EXHIBIT B

2010 CONVEYANCE RATES

Central Valley Project Warren Act Contracts,
Municipal and Industrial Water,
Per Acre-Foot

<u>Cost Component</u>	<u>Cost of Service</u>
Water Marketing	\$ 3.20
Storage	
O&M	\$ 7.38
Capital	\$ 3.31
<u>Other Cost</u>	<u>\$ 2.40</u>
Total Cost of Service	<u>\$16.29</u>

EXHIBIT C

SOURCE(S) OF CONTRACTOR'S NON-PROJECT WATER

The sources of Non-Project Water shall be water acquired by the Contractor, or available to the Contractor under its pre-1914 water rights for Slab Creek (Summerfield Ditch), Hangtown Creek (Gold Hill Ditch), and Weber Creek (Farmers' Free Ditch), and from additional water rights in Weber Reservoir (License 2184).

The season of diversion at the Contractor's Point of Delivery shall be limited annually to April 1 through November 15: Provided, That the season for diversion from Hangtown Creek and Weber Creek (including Farmers' Free Ditch and Weber Reservoir) shall be limited annually to May 15 through November 15.

For the purposes of this Contract, the "Conveyance Loss" shall be 15 percent of the Non-Project Water nominally assumed to be lost in conveyance to the Contractor's Point of Delivery.

The quantity of Non-Project Water made available for diversion at the Contractor's Point of Delivery shall be the sum of:

1) The quantity of Non-Project Water measured at the lower Weber Creek gage (Gage W-5). This quantity represents the quantity of Non-Project Water made available from the combined sources of Weber Dam (Gage W-3), Weber Creek (Gage W-4), and Hangtown Creek (Gage H-4): Provided, That the daily maximum quantity of Non-Project Water for which the Contract shall be credited for diversion at the Contractor's Point of Delivery under the Hangtown Creek and Weber Creek water rights shall not exceed the total of: the releases measured at Gage W-3 (less Conveyance Loss), plus 6.74 acre-feet (af) per day for Hangtown Creek, plus 8.43 acre-feet per day for Farmers Free Ditch¹; and

2) The quantity of Non-Project Water measured at the Slab Creek gage (Gage S-42), less the Conveyance Loss: Provided, That the daily maximum quantity of Non-Project Water for which the Contractor shall be credited for diversion at the Contractor's Point of Delivery under the Slab Creek water right shall not exceed 16.86 acre-feet per day²: Provided further, That when the flow in Slab Creek is less than 4 cubic feet per second (cfs), no water shall be made available for diversion by the Contractor from Slab Creek.

¹ Calculation for maximum acre-feet per day = $\{ \{ \text{Weber Reservoir Releases} + 4 \text{ cfs (Hangtown Creek)} + 5 \text{ cfs (Weber Creek)} \} \times \{ 1 - \text{Conveyance Loss} \} \times \{ 1.9835 \text{ (af/day)/cfs} \} \}$

² Calculation for maximum acre-feet per day = $\{ \{ 10 \text{ cfs (Slab Creek)} \} \times \{ 1 - \text{Conveyance Loss} \} \} \times \{ 1.9835 \text{ (af/day)/cfs} \}$

EXHIBIT D

COOPERATIVE AGREEMENT No. 05FC201041

7-2277 (03-02) (Rev. 09/04)
Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

ASSISTANCE AGREEMENT

Page 1 of 25 Pages

1. AGREEMENT NUMBER 05FC201041		2. TYPE OF AGREEMENT <input type="checkbox"/> GRANT <input checked="" type="checkbox"/> COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT Special District	
4. ISSUING OFFICE (NAME, ADDRESS) U.S. Department of the Interior Bureau of Reclamation Mid-Pacific Region 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 DUNS #: 098365801 EIN: 84-1024366			5. RECIPIENT (NAME, ADDRESS, TELEPHONE) El Dorado Irrigation District 2890 Mosquito Road Placerville, California 95667 Phone (530) 642-4030 Fax (530) 622-8597 DUNS #: 048946420 EIN #: 94-6035480		
6. ADMINISTRATIVE POINT OF CONTACT (NAME, ADDRESS, TELEPHONE, E-MAIL) Rebecca E. McFarland, MP-3836 Phone (916) 978-5540 Bureau of Reclamation, Mid-Pacific Region Fax (916) 978-5175 Acquisition Services 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 Email: rmcfarland@mp.usbr.gov			7. RECIPIENT PROJECT MANAGER (NAME, ADDRESS, TELEPHONE, E-MAIL) Daryl Noel, Associate Engineer Phone (530) 622-4534 El Dorado Irrigation District Fax (530) 622-8597 2890 Mosquito Road Placerville, California 95667 Email: dnoel@eid.org		
8. TECHNICAL REPRESENTATIVE (NAME, ADDRESS, TELEPHONE, E-MAIL) Dan Vallejo, CCAO-601B Phone (916) 989-7182 U.S. Department of the Interior FAX: (916) 985-7208 Bureau of Reclamation, Mid-Pacific Central California Area Office (CCAO) 7794 Folsom Dam Road Folsom, CA 95630 Email - dvallejo@mp.usbr.gov			9. EFFECTIVE DATE SEE BLOCK 17 a		
			10. COMPLETION DATE September 30, 2010		
11. PROGRAM STATUTORY AUTHORITY Title of program authority, Public Law 105-295 (112 Stat. 2820) dated Oct. 27 1998 (as amended by section 219(b) of Public Law 108-137 (117 Stat. 1853), PL 108-361 dated Oct. 25, 2004 and Consolidated Appropriations Act, 2005, Public Law 108-447, dated December 8, 2004; 118 Stat. 2809.					
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION	
TOTAL AMOUNT OF AGREEMENT		\$18,991,116.00		\$2,400,000.00 *	
AMOUNT OF FUNDS OBLIGATED		\$ 0.00		\$2,400,000.00	
COST SHARE RATIO		%		%	
* see A.8 Funding					
13. REQUISITION NUMBER 05244000053					
14. ACCOUNTING AND APPROPRIATION DATA A30 2440100 411C 03535200 0019300					
15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT a. TITLE: Temperature Control Device (TCD) (Block 15 continued on Page 2)					
16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient BY <i>[Signature]</i> DATE 9/19/05			17a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Bureau of Reclamation BY DATE		
16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER (Type or print) Hnc P. Delister General Manager Additional signatures are attached 530 642 4053			17b. NAME OF GRANTS AND COOPERATIVE AGREEMENTS OFFICER (Type or print) CLAIRE LRSINO		

DOCUMENTS INCORPORATED HEREIN BY REFERENCE:

Reviewed & Approved on: 9/19/05
[Signature]
EID General Counsel's Office
[Signature]

SECTION A. SCHEDULE

A.1. BACKGROUND

The El Dorado Irrigation District (EID), in collaboration with the Bureau of Reclamation (Reclamation), is proposing to construct a Temperature Control Device (TCD) for its water intake facilities on Folsom Lake in order to preserve the cold-water pool in the lake and enhance downstream habitat for anadromous fish species.

The El Dorado Hills Pumping Plant (EDHPP), located near El Dorado Hills, California, diverts water from Folsom Reservoir through a Central Valley Project (CVP) water service contract. It is located on the south side of the lake, about two miles upstream of Folsom Dam and is owned and operated by the El Dorado Irrigation District (EID). The land is owned by the United States Department of the Interior, Bureau of Reclamation, (Reclamation) and pipe facilities are under easement to EID. The dam, which has a storage capacity of 1,010,000 acre-feet, regulates the flows of the Lower American River for water supply, power generation, and flood control. Reclamation contracts with EID for up to 7,550 acre-feet per year of water from the Central Valley Project (CVP), and also contracts to convey rights water of EID through CVP facilities to the EDHPP.

The EDHPP is used to provide municipal and irrigation (M&I) water to the El Dorado Hills area of El Dorado County. The plant uses submersible pumps inserted in steel casings that extend down the lake bank. Currently, there are two 18-inch casings installed in one area in 1960, and an adjacent group of three 20-inch casings installed in 1990. The existing 18-inch casings have been in service for about 40 years and are thought by EID to be near the end of service life.

Water can enter the casings only through openings at the bottom end. The casings are approximately 260 feet long, which locates the inlets near the bottom of the lake at about EL 315 MSL. Water enters the casings through screens at the lower end of the tubes and is drawn into the pumps and forced up through the pipes to additional pumps.

The pumps are cycled on and off as demand for water dictates. With all five pumps running, the flow is approximately 15 cubic feet per second (cfs). Four additional pumps using 20-inch casings are proposed for future installation. Maximum possible flow with all nine pumps running would be approximately 23 million gallons per day (mgd) or 35.5 cfs.

All outlets on Folsom Dam have, or will soon have, some type of temperature control device to conserve cold water in the reservoir during the warmest months of the year. The power plant outlets now have some form of temperature control device installed or under construction to conserve the cold-water pool but more cold water is needed. The colder water is later released to cool the water temperature for species of anadromous coldwater fish (salmon and steelhead) downstream of the dam in the Lower American River. In summer, the lake stratifies with colder water at its lower elevations, and warmer water near its surface. Present operations of the EDHPP, with its intakes located deep in the reservoir, reduces the volume of the cold-water pool. The proposed Project would allow EID to preserve more of the cold water pool at the lake

bottom water into the water delivery system, so that colder water can be used as needed to provide improved fish habitat and hatchery operations below Folsom Dam.

A.2. PURPOSE

The purpose of this agreement is to assist in the design and construction of a temperature control device (TCD) on existing non-Federal facilities delivering Central Valley Project water supplies that would allow the El Dorado Irrigation District to only withdraw warmer waters from different elevations in Folsom Lake. The TCD is needed to preserve the cold-water pool in Folsom Lake for the controlled releases from the dam for cold-water anadromous fish species in the Lower American River.

A.3. OBJECTIVE

The objective of this agreement is to accomplish the following:

1. Design and construct a Temperature Control Device in compliance with Public Law 105-295, as amended, with the Bureau of Reclamation (Reclamation) assisting and the District having responsibility to complete the Project.
2. Preserve the cold-water pool in Folsom lake and enhance downstream habitat for anadromous fish species.
3. Enhance the propagation of fall-run Chinook salmon and steelhead trout in the American River.

A.4. BENEFITS

The Project to be constructed enables the District to divert water from discrete elevations within Folsom Lake in El Dorado Hills, California to the El Dorado Hills Water Treatment Plant on a year-round basis. At a minimum the district will always be permitted to divert water through the upper intake on the TCD. This Project will also provide the following benefits:

- * Provides for the ability to take water at discrete elevations to preserve the Folsom Lake cold water pool water.
- * Screened intake structures located at discrete elevations to support protection of juvenile fish.
- * Valves, one in each intake, to enable the District to isolate one or two screened intakes for the purpose of diverting water above the cold-water pool in Folsom Lake:
- * Locally operated powered-valve controllers for each valve.
- * A monitoring Supervisory Control and Data Acquisition (SCADA) telemetry system to monitor water temperature and flow.

A.5. RESPONSIBILITIES OF THE PARTIES

A.5.1. Recipient. Under this agreement, the Recipient is responsible for all the Tasks as listed in the Statement of Work (SOW), described in A.6.

A.5.2. Bureau of Reclamation (Reclamation).

Substantial involvement between Reclamation and the Recipient is anticipated during the performance of this project. In support of this agreement, Reclamation will provide the following:

A.5.2.1. Reclamation will collaborate and participate with the Recipient in the management of the project and closely oversee the Recipient's activities to ensure that the program objectives are being achieved.

A.5.2.2. This oversight shall include review, input, and approval at key interim stages of the project as identified in the Recipient's proposal.

A.5.2.3. The key interim stages of this project are identified as follows:

A.5.2.4. Project Engineering and specifications.

A.5.2.5. Environmental Management

A.5.2.6. Construction Contract Bid Preparation, Advertising, and Award.

A.5.2.7. Intake for the TCD Construction.

A.5.2.8. Final Testing & Functional Checkout.

A.5.2.9. Project Completion Report.

A.6. STATEMENT OF WORK

The El Dorado Irrigation District will construct a Temperature Control Device and associated Temperature Monitoring Facilities. The El Dorado Irrigation District will act as the lead agency having responsibility to complete the project. The scope of work will be as defined in the tasks and subtasks, as described herein.

The work consists of the investigation, proposals, design, administration, management, labor, materials, supplies, services, and components necessary to implement and complete the project and related construction, installation, acceptance testing, documentation, and warranty.

All tasks will be executed in cooperation with Reclamation (Reclamation). The El Dorado Irrigation District will provide an overall project schedule with respective milestones for project verification and validation.

Task 1. Project Management and Administration – Establish and maintain accounts, books, and records pertaining to management, administration, coordination, labor, financial transactions and other matters pertaining to this assistance agreement. The El Dorado Irrigation District's role during the project management and administration phase for design and construction is as an expert witness to its contractor's quality of work and the final finished product. The El Dorado Irrigation District will oversee and manage the design and construction of the TCD and provide a liaison and communication path for Reclamation. The liaison will provide project updates/progress reports of the milestones in order for Reclamation to make periodic trips to review, inspect, and check the status of the work associated with the TCD.

Subtask-A. Provide the necessary preliminary investigation and feasibility studies associated with project management and administration for the design and construction concepts of the Temperature Control Device. The preliminary investigation and feasibility studies include all current and alternate locations with the elaboration of risks and a demonstration of critical components as far as feasible. The investigation and feasibility studies will include project management and administration specifics and determinations. The primary goals and contributions are risk and cost management. A full understanding of the administrative complexities associated with the Temperature Control Device should be shown in order to provide sound project management. The results will demonstrate the project management and administrative feasibility including consideration of current aspects of Temperature Control Device to provide a well managed and administrative project. Screening studies are carried out to determine the overall management and administrative viability and economic attractiveness without pursuing the concepts in great detail.

Task 2. Environmental Management and Requirements – Comply with all federal, state, and local environmental requirements, laws, policies, regulations, assessments, and guidelines issued respectively relating to the Temperature Control Device project and its construction. Implement all necessary environmental documentation which includes the preparation, development, planning, certification, inspection, monitoring, entry, reports, permits, and information as well as other requirements specified by environmental law. Identify actual or potential environmentally significant impacts ensuring that the significant impacts are considered in project goals, objectives and targets. Ensure the goals, objectives, and targets are consistent with environmental policy. Review and where appropriate, comment on preliminary and final environmental documents. Provide notification for participation with federal, state, and local governments, groups, and private concerns in meetings, hearings, and other activities which affect the project keeping all stakeholders informed of activities. The results of all formal environmental materials, documentation, drawings and other information shall be documented in a design history file. This task will entail the listed subtasks as part of the project environmental management and requirements plan.

Subtask-A Provide preliminary environmental investigation and feasibility studies for the design and construction concepts for the Temperature Control Device. The preliminary environmental investigation and feasibility studies include all current and alternate locations with the elaboration of risks and a demonstration of critical environmental components as far as feasible. The investigation and feasibility studies will include specifics and determinations of environmental requirements. The primary goals and contributions are risk and environmental

management. A full understanding of the environmental complexities associated with the Temperature Control Device should be shown in order to provide sound environmental management. The results will demonstrate the environmental feasibility including consideration of current aspects of Temperature Control Device technologies and aesthetics to provide a well environmentally designed facility. Screening studies are carried out to determine the overall environmental viability and economic attractiveness without pursuing the concepts in great detail.

Task 3. Project Design and Development Plan – Prepare, plan, and conduct project design reviews. Provide the results of the conceptual design, development scope, purpose, and general requirements including but not limited to plans, drawings, technical specifications, planning activities and contract requirements. Inform Reclamation of all formal investigative, preliminary, intermediate and final design reviews in order to participate and provide input. Consult with Reclamation outside design reviews on design controls and quality and reliability requirements in order to review and comment as a system of checks and balances. Checks and balances may require a series of actions taken by the El Dorado Irrigation District for further formulation, analysis, search, decision, specification, and modification. The El Dorado Irrigation District will prepare reports and/or documents and provide to Reclamation. The results of all formal design review materials, documentation, drawings and other information will be documented in a design history file. This task will entail the listed subtasks as part of the project design development plan.

Subtask-A Present the 30% conceptual design development scope, purpose, and general requirements including but not limited to plans, drawings, details, technical specifications, planning activities and contract requirements. Provide all preliminary and conceptual associated documentation of the project. All drawings, specifications and associated documentation will reflect the intent and rationale of the original design providing sufficient detail to describe the Temperature Control Device and location of construction.

Subtask-B Present the 60% detailed design requirements including but not limited to plans, details, drawings, technical specifications, planning activities and contract requirements. Provide all preliminary associated documentation of the project. All drawings, specifications and associated documentation will reflect the intent and rationale of the original design providing sufficient detail to describe the Temperature Control Device and location of construction.

Subtask-C Present the 90% detailed design requirements including but not limited to plans, details, drawings, technical specifications, planning activities and contract requirements. Provide all preliminary and conceptual associated documentation of the project. All drawings, specifications and associated documentation will reflect the intent and rationale of the original design providing sufficient detail to describe the Temperature Control Device and location of construction.

Subtask-D Present the Final design requirements including but not limited to plans, details, drawings, technical specifications, planning activities and contract requirements.

Provide all final associated documentation for construction of the project. All drawings, specifications and associated documentation will reflect the final intent and rationale of the design providing all final detail to describe the Temperature Control Device and location of construction. Their form and use will provide uniform procedures for consistent and efficient recording, indexing, maintenance, and referencing. All drawings, specification and associated documentation will be prepared and reviewed professionally to assure their accuracy and the employment of sound engineering practices. The primary purpose of the contract drawings and specification package is to provide the necessary support for planning, procurement, fabrication, installation, construction, testing, and certification of the finished product. The secondary purpose is to document the configuration and its systems, and to provide a vehicle for its review by stakeholders. Prior to the start of all construction Reclamation will review and concur with the specifications in the Final design.

Task 4. Construction and Construction Site Environment – Establish and manage the construction and site environment for the Temperature Control Device and associated Temperature Monitoring Facilities. This includes: project management, inspection, site security and other activities association with construction. Adhere to Federal, State and local laws that may have an impact to the Temperature Control Device project.

Ensure all interested parties and stakeholders visit the proposed site(s) so that each group will benefit by first-hand knowledge acquired from the field.

Provide Temperature Control Device and associated Temperature Monitoring Facilities layouts for maximum site use and space to include: access roads, staging, materials, personnel, temporary facilities, field offices, water, electrical, and other service utilities.

Review all impacts to include: Flood zones, drainage, hazardous materials, excavation, demolition, grading, fill zones, special soil (foundation) conditions, geological hazard area, hazardous fire area, historic preservation, architectural review, noise ordinance (construction hours), environmental protection, and site preservation.

Maintain and adhere to all building and construction codes and inspections to include: codes establish, by law, the minimum acceptable standards for construction, electrical, plumbing, and mechanical systems.

Maintain and adhere to all building and construction permits to include: new construction, demolition, remodeling, expansion, addition or repair to a structure.

Task 5. Post-Project Observation and Functional Checkout – Establish an agreement at the end of construction and beginning of commissioning of the Temperature Control Device that the El Dorado Irrigation District will arrange to maintain the Temperature Control Device and associated Temperature Monitoring Facilities for a specified period under warranty to honor and guarantee correct operation. Develop and prepare Standing Operation Procedure (SOP) within one year of formal acceptance of the project. Verify and validate the correct operation of the Temperature Control Device in conjunction with Reclamation and its facilities at Folsom Dam Reservoir for the safe and efficient operation to preserve the cold-water pool in the lake and enhance downstream habitat for anadromous fish species.

Project Schedule: The following schedule is based on a start date in the fall 2005. A change in start date may result in different completion dates due to the award date and weather conditions.

Task Number	Description of Task	Projected Completion Date
1	Project Management and Administration	Sep. 30, 2010
2	Environmental Management and Requirements	Sep. 30, 2008
3	Project Design and Development Plan	Sep. 30, 2008
4	Construction and Construction Site Environment	Sep. 30, 2010
5	Post-Project Observation and Functional Checkout	Sep. 30, 2010

A.7. PERFORMACE PERIOD

The performance period of the agreement is from date of execution through ~~September 30, 2010~~

Amended to Dec 31, 2012

A.8. FUNDING

Reclamation shall either authorized payment in advance or reimburse the recipient for allowable costs incurred, in accordance with applicable OMB Circular during the effective period of this agreement.

- a) SUMMARY OF FUNDING ESTIMATES. The following is a summary of the funding of the agreement, and the amounts of funding (either estimated or costs actually incurred):

	<u>Estimated/Actual Costs</u>
Date of Execution through September 30, 2010	\$ 6,250,000.00
Total Estimated Amount	\$ 6,250,000.00

It is understood that any estimated amounts are not binding on either party and are for informational purposes only, until such time as a modification is issued to provide funding for that period.

* Reclamation will provide funding to the recipient of 50 percent cost share for the design and construction of the Temperature Control Device only as authorized in PL 105-295 and as amended. Section 1© of Public Law 105-295 (112 Stat. 2820) (as amended by section 219(b) of Public Law 108-137 (117 Stat. 1853) is amended in the second sentence by striking \$3,500,000 and inserting \$6,250,000.

b) **SUMMARY OF FUNDING OBLIGATIONS.** The following is a summary of the funding that has been **obligated** for this agreement:

<u>Accounting and Appropriation Data</u>	<u>Amount</u>
A30-0353-6200-0019300-2 (Provided in Basic Agreement)	\$ 2,400,000.00
Total Obligated Amount	\$ 2,400,000.00

It is expressly understood that the Reclamation has no obligation to provide funds in addition to those reserved in writing. Except as required by other provisions of this Agreement specifically citing and to be an exemption from this clause, Reclamation shall not be obligated to reimburse the Recipient for costs incurred in excess of the estimated cost set forth in the approved annual budget.

A.9. PROPERTY AND EQUIPMENT TO BE FURNISHED BY THE GOVERNMENT

Government furnished property shall not be provided to the Recipient under this agreement. If property and equipment is furnished, the following guidelines will apply:

Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with funding from this Cooperative Agreement, until disposition takes place will as a minimum, meet the following requirements, or those of the applicable OMB Circular:

- 1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property and any ultimate disposition data including the date of disposal and the sale and price of the property.
- 2) A physical inventory of the property must be taken and the results reconciled, and provided to the GCAOR (at the address below), with the property records at least once every two years.

Dan Vallejo, CCAO-601B
 U.S. Department of the Interior
 Mid-Pacific Central California Area Office (CCAO)
 7794 Folsom Dam Road
 Folsom, CA 95630

- 3) In accordance with the applicable OMB Circular, the Recipient shall request disposition instructions for any and all items of equipment with a current per unit fair market value in excess of \$5,000. Said disposition shall be forwarded to the address below no later than 30 days after completion of the period of performance.

U.S. Department of the Interior

Bureau of Reclamation, Mid-Pacific Region
Attn: Grants and Cooperative Agreements Officer
2800 Cottage Way, Room E-1815
Sacramento, CA 95825-1898

- 4) In accordance with OMB Circular A-102, the recipient will use, manage and dispose of equipment acquired by the State under a Grant/Cooperative Agreement in accordance with State laws and procedures. Should those procedures differ from the above requirements, notification will be provided to the GCAOR at the above address.

SECTION B. SPECIAL PROVISIONS

B.1. PAYMENT POLICY

Acceptance of a financial assistance agreement form by the Reclamation creates a legal responsibility on the part of the recipient organization to use the funds and property provided in accordance with the terms and conditions of the agreement. The Reclamation has a reversionary interest in the unused balance of funding and in any funds improperly applied.

Payments to recipients are made in accordance with the basic standards and methods stated in the payment regulations at 43 CFR 12.61 or 43 CFR 12.933, as applicable to this agreement. These requirements are intended to minimize the time elapsing between the transfer of funds from the Reclamation and the disbursement of these funds by the recipient.

Payment will be made in advance or by reimbursement as follows:

1. **Advance Payment** – Recipients shall be paid in advance provided (1) they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of funds and their disbursement by the recipient, (2) they comply with reporting requirements for timely submission of financial status reports, and (3) they impose these same standards on sub-recipients.

Advances to recipients shall be limited to the minimum amounts needed and shall be timed to be in accordance with the actual, immediate cash requirements of the recipient in carrying out the purpose of the agreement. The timing and amount of cash advances shall be as close as administratively feasible (generally no more than 3 days) to actual disbursements for direct program cost and the proportionate share of allowable indirect costs.

2. **Reimbursement** – Reimbursement shall be the preferred method of payment when a recipient (1) does not meet the requirements for advance payment stated above; (2) does not have financial management systems that meet the standards in 43 CFR 12.60 or 43 CFR 12.921, as applicable; or (3) has been converted to payment restrictions for non-compliance with the terms and conditions of the agreement. Reimbursement is also the preferred method of payment for agreements involving construction.

B.2. PAYMENT METHOD

Electronic Funds Transfer – Payments under this agreement will be made to recipients by electronic funds transfer (EFT) unless the recipient qualifies for exemption from this payment method. The Reclamation utilizes the Automated Clearinghouse (ACH) Vendor Express payment system for EFT. Whether funds are paid in advance or as a reimbursement, the actual payment will be made through Vendor Express. Vendor Express allows the Government to transfer funds to a recipient's financial institution along with explanatory information regarding the payment.

Enrollment – Upon award, recipients will receive a copy of the SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form. This form is required to implement the Vendor Express system and to notify the Reclamation of any change or corrections to financial institution information.

Requesting Payments – Requests for advance or reimbursement may be made by the following methods:

1. **SF-270, Request for Advance or Reimbursement** -- On a monthly basis, recipients may submit an original and two copies of a properly certified SF-270 form to the address identified in Block 4, page 1, of this agreement. For advance payment, this form may be submitted on a monthly basis, at least two weeks prior to the date on which funds are required, and on the basis of expected disbursements for the succeeding month and the amount of Federal funds already on hand. Requests for reimbursement may be submitted on a monthly basis, or more frequently if authorized by the GCAO. Requested funds are delivered to the recipient via ACH Vendor Express. This form is available on the Internet at http://www.whitehouse.gov/omb/grants/grants_forms.html.
2. **SF-271, Outlay Report and Request for Reimbursement for Construction Programs** The SF-271 shall be used for construction agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original and two copies of a properly certified SF-271 form to the address identified in Block 4, page 1, of this agreement. This form is available on the Internet at http://www.whitehouse.gov/omb/grants/grants_forms.html.
3. **Automated Standard Application for Payments (ASAP)** -- Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Once a request is made through ASAP, funds are provided to the recipient either through ACH or Fed-wire. Further information regarding ASAP may be obtained from the ASAP website at <http://www.fms.treas.gov/asap>. Upon award, you will be provided with information regarding enrollment in the ASAP system.

B.3. REPORTING REQUIREMENTS AND DISTRIBUTION

Failure to comply with the reporting requirements contained in this agreement may be considered a material non-compliance with the terms and conditions of the award. Non-compliance may result in withholding of payments pending receipt of required reports, denying both the sue of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the agreement, recovery of funds paid under the agreement, withholding of future awards or other legal remedies.

1. **Financial Reports** – All financial reports shall be signed by an Authorized Certifying Official for the recipient’s organization. The following forms are available at http://www.whitehouse.gov/omb/grants/grants_forms.html.

a. **SF-269 or SF269a, Financial Status Report** – This form is utilized or report total expenditures for the reporting period. The SF-269 must be used if the recipient is accountable for the use of program income; otherwise, the SF-269a may be used.

An original and two copies of this form shall be submitted quarterly within 30 day following the end of each reporting period.

A final SF-269 or SF-269a shall be submitted within 90 days following completion of the agreement.

b. **SF-272, Report of Federal Cash Transactions** – This report shall be submitted by recipients that draw down cash advances by means of electronic funds transfer or Treasury check. Recipients shall identify in the “Remarks” section the amount of cash advances received in excess of 3 days prior to disbursement and explain actions taken to reduce excess balances.

An original and two copies of this form shall be submitted on a quarterly basis within 15 days following the end of the reporting period.

2. Program Performance Reports

a. **Interim Reports** – Recipients shall submit an original and two copies of program performance reports on a quarterly basis within 30 days following the end of each reporting period. Program performance reports shall contain the following:

- i. A comparison of actual accomplishments with the goals and objectives established for the reporting period;
- ii. Where Project output can be quantified, a computation of the cost per unit of output;
- iii. When appropriate, reasons why goals and objectives where not met; and
- iv. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

- b. **Annual Reports** – An original and two copies of an annual program performance report shall be submitted within 90 days following the end of each year of the agreement. Copies of this report may be required to be included with any application for continuing support of the agreement.
- c. **Final Report** – An original and two copies of the final program performance report shall be submitted no later than 90 days following the expiration or termination of the agreement.

3. Significant Developments

During the term of the agreement, the recipient must immediately notify the GCAO if any of the following conditions become known:

- a. Problems, delays or adverse conditions which will materially impair their ability to meet the objectives of the agreement;
- b. Favorable developments which enable the recipient to meet time schedules and objectives sooner than or at less costs than projected or to produce more beneficial results than originally planned.

This notification is to include information on the actions taken or contemplated to resolve problems, delays, or adverse conditions, and any assistance needed from Reclamation to help resolve the problem.

4. Report Distribution

Copies of reports shall be distributed as follows:

	GCAO (Block 6, Page 1)	GCAOR (Block 8, Page 1)
Financial Reports	2	1
Performance Reports	1	2
Significant Developments	2	1

B.4. MODIFICATIONS

Any changes to this agreement shall be made by means of a written modification. The Reclamation may make changes to the agreement by means of unilateral modification to deal with administrative matters, such as changes in address, no-cost time extensions, the addition of previously agreed upon funding, or de-obligation of excess funds at the end of the agreement. Additionally, a unilateral modification in accordance with 43 CFR 12.83 or 43 CFR 12.961, as applicable.

All other changes shall be made by means of bilateral modification to the agreement. No oral statement made by any person, or written statement by any person other than the GCAO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GCAO. Any request for Project extension shall be made at least 45 days prior to the expiration date of the agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a Project is solely at the discretion of the Reclamation.

B.5. RECIPIENT'S PROJECT MANAGER

The Recipient's Project Manager for this Agreement shall be Brian Mueller.

B.6. KEY PERSONNEL

The Recipient's key personnel for this agreement are identified as follows:

Daryl Noel

In accordance with 43 CFR 12.70(d)(3) or 43 CFR 12/925, as applicable, the Recipient shall request prior approval from the Reclamation before making any changes in the key personnel identified above.

B.7. GRANT COOPERATIVE AGREEMENT OFFICER'S REPRESENTATIVE (GCAOR)

The GCAOR for this agreement will be:

Bureau of Reclamation, CCAO-601B
Attn: Dan Vallejo
Address: 7794 Folsom Dam Road, Folsom, CA 95630
Telephone: 916-989-7182

The GCAOR is authorized to act only on technical matters during the term of this Agreement. The GCAOR and the Recipient's Project Manager shall work closely to insure that all requirements of the Agreement are being met. The GCAOR's responsibilities include, but are not limited to, the following:

- a. Assist the Recipient concerning the accomplishment of the tasks described in the Agreement;
- b. Provide information to the Recipient which assists in the interpretation of the tasks; and

- c. Review, and where required, approve reports and information to be delivered to the Government.

Technical assistance must be within the general scope of the Agreement. The GCAOR does not have the authority to and may not issue any technical assistance which:

- a. Constitutes an assignment of additional work outside the general scope of the Agreement;
- b. In any manner causes an increase or decrease in the total estimated cost of the time required for performance; or
- c. Changes any of the expressed terms, conditions, or specifications.

B.8. FUNDS AVAILABLE FOR PAYMENT

The Government's obligation under this Agreement is contingent upon the availability of appropriated funds from which payment for Agreement purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the GCAO for this Agreement, and until the Recipient receives notice of such availability, to be confirmed in writing to the Recipient by the GCAO.

Pursuant to the Act of Congress of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all commonly known as Reclamation Law, funds for payment under the first year of this agreement are included in the Consolidated Appropriations Act, 2005, Public Law 108-447. Funding for any optional year of the agreement is contingent upon subsequent Congressional funding.

B.9. REIMBURSABLE COSTS AND LIMITATIONS

B.9.1 The Recipient shall provide all personnel, services facilities, equipment, materials and supplies, and perform all travel which may be necessary and appropriate for the proper performance of this Agreement. Costs so incurred will be paid for as provided herein. The Reclamation's obligation to the Recipient for costs incurred in these connections shall be limited to the Recipient's direct and indirect costs associated with this Agreement. All such direct and indirect costs must be determined to be allowable under the regulations contained in 48 CFR Subpart 31.2 or an OMB Cost Principle Circular, as applicable, which are incorporated herein through the General Provision of the agreement.

B.9.2 The recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the agreement. The only costs which are authorized for a period of up to 90 days following the award expiration date are those strictly associated with closeout activities for preparation of the final report.

B.9.3. The Reclamation shall not be obligated to provide funding to the Recipient and the Recipient shall not be obligated to continue performance under the Agreement or to incur costs

in excess of the costs set forth in the annual Project budget unless the GCAO has furnished the Recipient a modification to increase the available funding for the Agreement.

B.10. BUDGET REVISIONS

The Recipient shall follow the requirements at 43 CFR 12.70 (c) or 43 CFR 12.925, as applicable, when making revisions to budget and program plans. Additionally, approval shall be requested for transfers of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa.

B.11. PROCUREMENT STANDARDS

When utilizing Federal funds for the procurement of supplies and other expendable property, equipment, real property, and other services under this agreement, the Recipient shall utilize the Procurement Standards set forth at 43 CFR 12.76 or 43 CFR 12.940 - 12.948, as applicable. The Recipient may be required to submit evidence that its procurement procedures are in compliance with the standards stated therein. Additional guidance for contracting with small and minority firms and women's business enterprises is included in the General Provisions section of this agreement.

B.12. PROPERTY STANDARDS

All property, equipment and supplies acquired by the Recipient with Federal funds shall be subject to usage, management, and disposal in accordance with the Property Standards at 43 CFR 12.72 - 12/73, or 43 CFR 12.930 - 12.937, as applicable.

B.13. INSPECTION

The Reclamation has the right to inspect and evaluate the work performed or being performed under this agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If the Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

B.14. AUDIT

Recipients are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." Audits shall be made by an independent auditor in accordance with generally accepted Reclamation auditing standards covering financial audits. Additional audit requirements applicable to this agreement are found at 43 CFR 12.66 or 43 CFR 12.926, as applicable. General guidance on the single audit process is included in a pamphlet titled, "Highlights of the Single Audit Process" which is available on the Internet at <http://www.doi.gov/ost/m60/grant/sincontact.htm>. Additional information on single audits is available from the Federal Audit Clearinghouse at <http://harvester.census.gov/sac/>.

B.15. ENFORCEMENT

In accordance with 43 CFR 12.83 or 43 CFR 12.962, as applicable, if the recipient materially fails to comply with any term of this agreement, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, The Reclamation may take one or more of the following actions as appropriate:

B.15.1. Temporarily withhold cash payments pending correction of the deficiency by the recipient or sub-recipient or more severe enforcement action by the awarding agency;

B.15.2. Disallow (deny both use of funds and any matching credit for) all or part of the cost of the activity or action not in compliance;

B.15.3. Wholly or partly suspend or terminate the current award for the recipient's or sub-recipient's program;

B.15.4. Withhold further awards for the program; or

B.15.5. Take other remedies that may be legally available.

B.16. TERMINATION

In accordance with 43 CFR 12.84 or 43 CFR 12.961, as applicable, and except as provided for in the Enforcement Provision, above, this agreement may be terminated in whole or part only as follows:

B.16.1. By the awarding agency with the consent of the recipient or sub-recipient in which case the two parties shall agree upon the termination conditions including the effective date and in the case of partial termination, the portion to be terminated, or

B.16.2. By the recipient or sub-recipient upon written notification to the Reclamation, setting forth the reasons for such termination, the effective date, and in case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either the Enforcement Provision or paragraph 1 of this Provision.

B.17. PREAWARD INCURRENCE OF COSTS – COST SHARING OR MATCHING AGREEMENTS

The Recipient shall be entitled to have incurred costs for this agreement, in a total amount not to exceed \$259,138.03, for allowable costs incurred prior to date of execution, which if had been incurred after this agreement was entered into, would have been allowable under the provisions of the agreement.

In accordance with the cost sharing or matching requirements of this agreement, the recipient is eligible to receive reimbursement for a portion of these total allowable costs in an amount not to exceed \$129,569.02.

B.18. COPYRIGHTS

B.18.1 For recipients subject to the administrative standards set forth in OMB Circular A-110, the following copyright provision, as implemented by 43 CFR 12.936(a), shall apply:

The recipient may copyright any work that is subject to copyright and was developed, or for which ownership was purchased, under an award. The Federal awarding agency(ies) reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.”

B.18.2 For recipients subject to the administrative standards set forth in OMB Circular A-102 and the Grants Management Common Rule, the following copyright provision, as implemented by 43 CFR 12.74, shall apply:

The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:

- (a) The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and
- (b) Any rights of copyright to which a grantee, sub-grantee or a contractor purchases ownership with grant support.

B.19. DUN AND BRADSTREET (D&B) DATA UNIVERSAL NUMBERING SYSTEM (DUNS) REQUIREMENT

Effective October 1, 2003, applicants for Federal grants or cooperative agreements must provide a D&B DUNS number with their application. This number is to be included in Block 6 of you SF-424 Application for Federal Assistance, along with your Employer Identification Number.

If you do not have a DUNS number, one may be obtained at no cost by calling the dedicated toll-free DUNS Number Request Line at 1-866-705-5711.

Individuals who would personally receive a grant or cooperative agreement award from the Reclamation, apart from any business or non-profit organization they operate, are exempt from the requirement to provide a DUNS number with their application. The Reclamation must, however, have a DUNS number for payment processing purposes, and will therefore obtain a DUNS number for any individual who is awarded a grant or cooperative agreement.

SECTION C. GENERAL PROVISIONS

C.1. REGULATIONS AND GUIDANCE

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this agreement. Failure of a recipient to comply with any provisions may be the basis for withholding payments for proper charges made by the recipient and for termination of support. Copies of OMB Circulars are available on the Internet at http://www.whitehouse.gov/omb/grants/grants_circulars.html. The implementation of the circulars at 43 CFR Part 12 is available at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.

C.1.1 Agreements with colleges and universities shall be in accordance with the following circulars:

Circular A-21, revised May 10, 2004, "Cost Principles for Educational Institutions"

Circular A-110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

C.1.2. Agreements with State and local government agencies shall be in accordance with the provisions of the following circulars:

Circular A-87, revised May 10, 2004, "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A-102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

C.1.3. Agreement made with nonprofit organizations shall be in accordance with the following circulars and provisions:

Circular A-110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"

Circular A-122, revised May 10, 2004, "Cost Principles for Non-Profits Organizations"

Circular A-133, revised June 27, 2003, "Audits of State, Local Governments, and Non-Profit Organizations"

C.1.4. All agreements with organizations other than those indicated above shall be in accordance with the basic principles of OMB Circular A-110, and cost principles shall be in accordance with 48 CFR Subpart 31.2 titled "Contracts with Commercial Organizations" which is available on the Internet at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.

C.2. DEBARMENT AND SUSPENSION

The Department of the Interior regulations at 43 CFR 42 – Government-wide Debarment and Suspension (Non-procurement), which adopt the common rule for the Government-wide system of debarment and suspension for non-procurement activities, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Reclamation, the recipient agrees to comply with 43 CFR 42, Subpart C, and agrees to include a similar term or condition in all lower-tiered covered transaction. These regulations are available at http://www.access.gpo.gov/nara/cfr/cfrhtml_00/Title_43/43cfr42_00.html.

C.3. DRUG-FREE WORKPLACE

The Department of the Interior regulations at 43 CFR 43 – Government-wide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Reclamation, the recipient agrees to comply with 43 CFR 43, Subpart B, if the recipient is not an individual, or with 43 CFR 43, Subpart C, if the recipient is an individual. These regulations are available at http://access.gpo.gov/nara/cfr/cfrhtml_00/Title_43/43cfr43_00.html.

C.4. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

- a. The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this agreement shall apply with full force and effect to this agreement as if fully set forth in these General Provisions. Such Assurances include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.
- b. When required by 43 CFR 18 – New Restrictions on Lobbying, recipients shall complete a Certification Regarding Lobbying form. This certification is incorporated by reference

and made a part of this agreement. These regulations are available at http://www.access.gpo.gov/nara/cfr/cfrhtml/00/Title_43/43cfr18_00.html.

C.5. COVENANT AGAINST CONTINGENT FEES

The recipient warrants that no person or agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the recipient for the purpose of securing agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this agreement without liability or, in its discretion, to deduct from the agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

C.6. CONTRACTING WITH SMALL AND MINORITY FIRMS, AND WOMEN'S BUSINESS ENTERPRISES

It is a national policy to award a fair share of contracts to small and minority business firms. The Department of the Interior is strongly committed to the objectives of this policy and encourages all recipients of its grants and cooperative agreements to take affirmative steps to ensure such fairness.

- a. The grantee and sub-grantee shall take all necessary affirmative steps to assure that minority firms, and women's business enterprises are used when possible.
- b. Affirmative steps shall include:
 1. Placing qualified small and minority business and women's business enterprises on solicitation lists;
 2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
 4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority, and women's business enterprises;
 5. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of commerce as appropriate, and
 6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in b. (1) through (5) above.

C.7. NOTICE REGARDING BUY AMERICAN ACT

In accordance with the Energy and Water Development Appropriations Act, please be advised that it is and has been the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made. This provision shall remain in effect unless revoked by a future specific act of Congress.

C.8. RESOLVING DISAGREEMENTS

When entering into a cooperative agreement with a recipient, the Reclamation commits itself to working with the recipient in a harmonious manner to achieve the objectives of the Project successfully. When disagreements arise between the parties, they must be resolved according to the procedures discussed below:

- a. The Reclamation shall attempt first to resolve disagreements with the recipient through informal discussion among the Grants or Contract Specialist, the Program Officer, and the recipient's Project Director.
- b. If the disagreement cannot be resolved through informal discussion between these parties, the Grants Specialist and the Program Officer shall document the nature of the disagreement and bring it to the attention of the Grants Officer.
- c. After reviewing the facts of the disagreement, as presented by the Grants and Programs Offices, the Grants Officer will arrange a formal meeting. If agreements still cannot be reached, the parties will collectively decide on any varied approaches which might be used to resolve the disagreement. The parties shall be responsible for their individual expenses related to any approach related to any approach utilized to resolve the disagreement. If attempts at resolving the disagreement fail, the Chief, Acquisition and Assistance Management Services or the Regional Director, whichever is applicable, shall make a decision which shall be final and conclusive.
- d. Nothing herein shall be construed to delay or limit the Reclamation's right to take immediate and appropriate action, as set forth at 43 CFR Subpart 12.83 or 12.962, as applicable, in the event of material noncompliance by the recipient, and no attempts at informal resolution shall be necessary.

Any post award issue will be open for resolution in accordance with the above procedures, with the exception of disagreements regarding continuation of the agreement (termination must be in accordance with 43 CFR 12), or other matters specifically addressed by the agreement itself.

C.9. LOBBYING RESTRICTIONS

In accordance with the Energy and Water Development Appropriations act, please be advised that it is and has been the sense of Congress that none of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence Congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C.1913. This provision shall remain in effect unless revoked by a future specific act of Congress.

C.10. ELECTRONIC FUNDS TRANSFER (EFT)

In accordance with the Debt Collection Improvement Act of 1996, 31 CFR 208, effective January 2, 1999, all Federal payments to recipients must be made by ET unless a waiver has been granted in accordance with 31 CFR 208.4. Upon award of a financial assistance agreement, the Reclamation will provide the recipient with further instructions for implementation of EFT payments or a certification form to request exemption from EFT.

C.11. ENDORSEMENT OF COMMERCIAL PRODUCTS AND SERVICES

In accordance with 43 CFR 12.3(d), this provision applies to grants and cooperative agreements whose principal purpose is a partnership where the recipient contributes resources to promote agency programs, publicize agency activities, assists in fund-raising, or provides assistance to the agency. If the agreement is awarded to recipient, other than a State government, a local government, or a federally-recognized Indian tribal government, and the agreement authorizes joint dissemination of information and promotion of activities being supported, the following provisions shall be made a term and condition of the award:

Recipient shall not publicize or otherwise circulate, promotional material (such as advertisements, sales brochures, press releases, speeches, still and motion pictures, articles manuscripts or other publications) which states or implies governmental, Departmental, bureau, or governmental employee endorsement of a product, service or position which the recipient represents. No release of information relating to this award may state or imply that the Government approves of the recipient's work products, or considers the recipient's work product to be superior to other products or services.

All information submitted for publication or other releases of information regarding this Project shall carry the following disclaimer:

"The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the opinions or policies of the U.S. Government. Mention of trade names or commercial products does not constitute their endorsement by the U.S. Government."

Recipient must obtain prior Government approval for any public information releases concerning this award which refer to the Department of the Interior or any bureau or employee (by name or

title). The specific test, layout photographs, etc. of the proposed release must be submitted with the request for approval.

A recipient further agrees to include this provision in a sub-award to any sub-recipient, except for a sub-award to a State government, a local government, or to a federally-recognized Indian tribal government.

D.1. LIST OF DOCUMENTS, EXHIBITS, OR OTHER ATTACHMENTS

The following documents, exhibits or attachments are incorporated by reference and made a part of this agreement.

<u>Attachment Number</u>	<u>Title</u>	<u>No. of Pages</u>
I	Certification Regarding Lobbying (DI-2010)	1

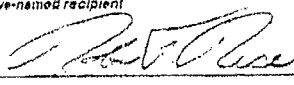
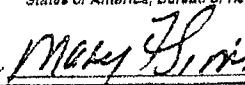
7-2278(02-02)

Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

MODIFICATION OF ASSISTANCE AGREEMENT

PAGE 1 OF 2

1. MODIFICATION NUMBER 0005		2. TYPE OF AGREEMENT <input type="checkbox"/> GRANT <input checked="" type="checkbox"/> COOPERATIVE AGREEMENT		3a. AGREEMENT NUMBER 05FC201041	
				3b. AGREEMENT DATE September 21, 2005	
4. ISSUING OFFICE (NAME, ADDRESS) U.S. Department of the Interior Bureau of Reclamation Mid-Pacific Office 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898			5. RECIPIENT (NAME, ADDRESS, TELEPHONE) El Dorado Irrigation District 2890 Mosquito Road Placerville, California 95667 DUNS #: 048946420 TIN #: 94-6036480		
6. ADMINISTRATIVE POINT OF CONTACT (NAME, ADDRESS, TELEPHONE, E-MAIL) Teresa E. Brown, MP-3839 Phone (916) 978-5049 Bureau of Reclamation, Acquisition Services Fax (916) 978-5175 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 Email: tbrown@mp.usbr.gov			7. RECIPIENT PROJECT MANAGER (NAME, ADDRESS, TELEPHONE, E-MAIL) Daryl Noel, Associate Engineer Phone: (530) 622-4534 El Dorado Irrigation District FAX: (530) 622-8597 2890 Mosquito Road Placerville, California 95667 Email: dnoel@eid.org		
8. TECHNICAL REPRESENTATIVE (NAME, ADDRESS, TELEPHONE, E-MAIL) Celia Choyce, CC-923 Phone: (916) 989-7273 U.S. Bureau of Reclamation FAX: (916) 989-7109 Central California Area Office 7794 Folsom Dam Road Folsom, California 95630 E-mail: cchoyce@mp.usbr.gov			9. EFFECTIVE DATE OF MODIFICATION See Block 18a		
			10. COMPLETION DATE OF AGREEMENT December 31, 2012		
11. THIS ADMINISTRATIVE AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF Section B, Special Provisions, Paragraph B.4., Modifications It modifies the above-numbered assistance agreement as set forth in Block 3.					
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION	
THIS OBLIGATION		\$ 0.00		\$ 0.00	
PREVIOUS OBLIGATION		\$18,991,116.00		\$4,015,000.00	
TOTAL OBLIGATION		\$18,991,116.00		\$4,015,000.00	
				13. REQUISITION NUMBER 09244000031	
				14. ACCOUNTING AND APPROPRIATION DATA A30-0353-6200-001-93-0-0 2440100-411C	
15. DESCRIPTION OF MODIFICATION (Attach additional pages if needed) A. TITLE: Temperature Control Device (TCD) (Block 15 continued on Page 2) <i>Except as provided herein, all terms and conditions of the document referenced in Block 3, as heretofore changed, remain unchanged and in full force and effect.</i>					
16. RECIPIENT IS _____ IS NOT <input checked="" type="checkbox"/> REQUIRED TO SIGN THIS DOCUMENT AND RETURN _____ COPIES TO THE ISSUING OFFICE.					
17a. Acceptance of this Modification in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient BY  DATE 2/23/09			18a. Acceptance of this Modification in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Bureau of Reclamation BY  DATE 2-27-2009		
17b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER (Type or print) Bob Rice Associate Engineer II 530 642-4079 <small>Additional signatures are attached</small>			18b. NAME OF GRANTS AND COOPERATIVE AGREEMENTS OFFICER (Type or print) Mary F. Sims		

DOCUMENTS INCORPORATED HEREIN BY REFERENCE:

DESCRIPTION OF MODIFICATION (Block 15 continued):

B. **PURPOSE:** The purpose of this modification is to extend the completion date to continue services on the agreement.

C. **DESCRIPTION:** This modification hereby extends the completion date to December 31, 2012 due to the current projected schedule for specific permitting and design tasks, plus estimated time for line for construction and revises Section A.8 FUNDING:

A.8 FUNDING:

(a) **SUMMARY OF FUNDING ESTIMATES.** The following is a summary of the funding periods of the agreement, and the amounts of funding (either estimated or costs actually incurred) for those periods:

<u>Period #</u>	<u>Dates Covered</u>	<u>Amount</u>
1	Date of Execution through December 31, 2012	\$4,015,000.00

D. **ADJUSTMENT OF AGREEMENT AMOUNT:** The total estimated amount of the agreement remains unchanged at \$6,250,000.00.

E. **NOTICE OF CHANGE IN FUNDS OBLIGATED:** As a result of this modification, the Agreement remains unchanged at \$4,015,000.00.

F. **PERIOD OF PERFORMANCE ADJUSTMENT:** As the result of this modification, the period of performance is hereby changed **FROM** September 21, 2005 through December 31, 2010 **TO** September 21, 2005 through December 31, 2012.

EXHIBIT CSOURCE(S) OF CONTRACTOR'S NON-PROJECT WATER

The sources of Non-Project Water shall be water acquired by the Contractor, or available to the Contractor under its pre-1914 water rights for Slab Creek (Summerfield Ditch), Hangtown Creek (Gold Hill Ditch), and Weber Creek (Farmers' Free Ditch), Mill Creek (El Dorado Canal), and from additional water rights in Weber Reservoir (License 2184).

The season of diversion at the Contractor's Point of Delivery shall be limited annually to April 1 through November 15; Provided, That the season for diversion from Hangtown Creek and Weber Creek (including Farmers' Free Ditch and Weber Reservoir), shall be limited annually to May 15 through November 15; the season for diversion from Mill Creek shall be limited annually to April 1 through November 15, annually.

For the purposes of this Contract, the "Conveyance Loss" shall be 15 percent of the Non-Project Water nominally assumed to be lost in conveyance to the Contractor's Point of Delivery.

The quantity of Non-Project Water made available for diversion at the Contractor's Point of Delivery shall be the sum of:

1) The quantity of Non-Project Water measured at the lower Weber Creek gage (Gage W-5). This quantity represents the quantity of Non-Project Water made available from the combined sources of Weber Dam (Gage W-3), Weber Creek (Gage W-4), and Hangtown Creek (Gage H-4); Provided, That the daily maximum quantity of Non-Project Water for which the Contract shall be credited for diversion at the Contractor's Point of Delivery under the Hangtown Creek and Weber Creek water rights shall not exceed the total of: the releases measured at Gage W-3 (less Conveyance Loss), plus 6.74 acre-feet (af) per day for Hangtown Creek, plus 8.43 acre-feet per day for Farmers Free Ditch¹; and

2) The quantity of Non-Project Water measured at the Slab Creek gage (Gage S-42), less the Conveyance Loss; Provided, That the daily maximum quantity of Non-Project Water for which the Contractor shall be credited for diversion at the Contractor's Point of Delivery under the Slab Creek water right shall not exceed 16.86 acre-feet per day²; Provided further, That when the flow in Slab Creek is less than 4 cubic feet per second (cfs), no water shall be made available for diversion by the Contractor from Slab Creek.

3) The quantity of Non-Project Water measured at the Mill Creek gage (Gage A-10), less the Conveyance Loss; Provided, That the daily maximum quantity of Non-Project Water for which the Contractor shall be credited for diversion at the Contractor's Point of Delivery under the Mill Creek Water right shall not exceed 16.86 acre-feet per day.³

¹ Calculation for maximum acre-feet per day = [{"Weber Reservoir Releases + 4 cfs (Hangtown Creek) + 5 cfs (Weber Creek)} x {1 - Conveyance Loss} x {1.9835 (af/day)/cfs}]

² Calculation for maximum acre-feet per day = [{"10 cfs (Slab Creek) x (1-Conveyance Loss)} x {1.9835 (af/day)/cfs}]

³ Calculation for maximum acre-feet per day = [{"10 cfs (Mill Creek) x (1-Conveyance Loss)} x {1.9835 (af/day)/cfs}]

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

ORDER WR 2008-0036-DWR

**IN THE MATTER OF PERMIT 21112 (APPLICATION 5645B)
OF EL DORADO IRRIGATION DISTRICT
PETITION FOR TEMPORARY URGENCY CHANGES IN
PERMIT CONDITIONS, PLACE OF STORAGE AND
POINTS OF REDIVERSION**

SOURCES: Silver Lake, Caples Lake, Lake Aloha and South Fork American River

COUNTIES: Amador, Alpine and El Dorado

**ORDER APPROVING TEMPORARY URGENCY CHANGES IN PERMIT CONDITIONS, PLACE OF
STORAGE AND POINTS OF REDIVERSION**

BY THE CHIEF OF THE DIVISION OF WATER RIGHTS:

1.0 SUBSTANCE OF PETITION

On August 1, 2008, El Dorado Irrigation District (EID) filed a petition with the State Water Resources Control Board (State Water Board) requesting approval of Temporary Urgency Changes to Permit 21112 pursuant to Water Code section 1435. The petition requests authorization to temporarily store 4,000 acre-feet (af) of water released from Caples Lake in Jenkinson Lake by (1) adding Jenkinson Lake as a temporary place of storage; (2) adding a point of rediversion at Sly Park Dam (which forms Jenkinson Lake); (3) adding a point of rediversion at El Dorado Canal to convey water from South Fork American River to Jenkinson Lake; (4) providing relief from permit condition 9 regarding maintenance of Caples Lake at specified levels for recreational purposes during the recreation season; and (5) providing relief from permit condition 12 regarding the bypass, release, and lake capacity requirements imposed by the Federal Energy Regulatory Commission (FERC) license for Project 184.

2.0 BACKGROUND

EID inspected the dam at Caples Lake in June 2008 and determined that repair work at the outlet gate valves was required due to the high risk of gate failure. The outlet works have been in continuous operation, without any known replacement or major repairs, for more than 85 years. EID staff has experienced recent and increasing operational difficulties, including binding, strain accumulation, lurching, and leakage through closed slide gates, debris blockages of the trash rack, and faulty operation of the lower slide gate. On June 10 and 11, 2008, a dive team conducted a two-day dive investigation of the outlet works that revealed a number of structural problems. Based on the inspection, EID concluded that any attempt to operate the lower slide gate carries a substantial risk of gate failure. If this gate were to fail in an open position, the result would be an uncontrolled release of the entire active storage of Caples Lake. Similarly, if the upper gate were to fail in an open position, the result would be an uncontrolled release of all water stored in Caples Lake above the elevation of the upper slide gate. If either gate were to fail in a closed position, EID would be unable to control releases of water from Caples Lake and

storage of water in Caples Lake, creating a substantial risk of uncontrolled filling of the reservoir and overtopping of the Caples Lake Auxiliary Dam.

EID issued a Resolution on July 14, 2008, finding that repair of the dam outlet gate is an emergency pursuant to Public Contract Code section 11102, which defines "emergency" as "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services." The Resolution also finds that the potential gate failure qualifies as an emergency under California Environmental Quality Act (CEQA) Guidelines section 15359, which defines "emergency" as "a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to life, health, property, or essential public services."

EID is presently emptying the reservoir to facilitate making the emergency repairs. Caples Lake will be nearly or completely empty by mid-September 2008. In the temporary urgency petition, EID seeks authorization to temporarily store 4,000 af of the water released from Caples Lake in Jenkinson Lake (Sly Park Dam) for customer use pursuant to Permit 21112 (Application 5645B). The water will be released at Caples Lake and rediverted at Kyburz into the El Dorado Canal, thence the Hazel tunnel, which routes the water to Jenkinson Lake.

Permit 21112 authorizes storage of 21,581 af per annum (afa) in Caples Lake to be collected from November 1 through July 31. Under the permit, EID may release water from Caples Lake for rediversion at Folsom Reservoir for municipal, irrigation, and domestic purposes. The total amount that EID may divert at Folsom, by direct diversion and rediversion of stored water, is 17,000 afa. EID requested to amend Permit 21112 to add temporary points of rediversion at: (1) El Dorado canal and (2) Sly Park Dam (Jenkinson Lake).

In addition, EID seeks relief from condition 9 of the permit, which requires EID to maintain Caples Lake at specified levels for recreational purposes. The lake levels are expressed as staff gage heights in the permit and are based on water year type. Maintenance of lake levels is required only for June, July, August, September and October. This year was a dry water year. The following table shows minimum and average lake levels for this year, based on water year type.

Month	August	September	October
Minimum Gage Height (feet)	44.9	39	38
Corresponding Reservoir Volume (af)	12,696	10,103	9,456
Average Gage Height (feet)	50.8	45.4	41.5
Corresponding Reservoir Volume (af)	15,761	12,941	11,052

Finally, EID seeks relief from condition 12 of the permit, which requires EID to maintain the release, bypass and lake capacity requirements imposed by the FERC license for Project 184. During the lake drawdown period, EID is releasing substantially more water than required by the FERC license. After the lake is drawn down, however, EID will be unable to comply with the reservoir bypass or release requirement while repairs are being made because the contractor must have dry conditions to make the repairs. Once repairs are completed, there will be minimal water in the reservoir until the reservoir refills.

Permit 21112 requires EID to demonstrate that it has met a number of conditions prior to water diversion and use. Inasmuch as EID has not previously documented compliance, EID was required to document compliance prior to approval of the urgency petition.

Condition 7

Condition 7 does not allow diversion until Permittee installs measuring devices at the Folsom Reservoir point of diversion.

On August 4, 2008, EID documented compliance with this condition indicating that measuring devices were installed at the Folsom Lake point of diversion.

Condition 18

Condition 18 does not allow diversion until Permittee has filed a report of waste discharge with the Central Valley Regional Water Quality Control Board (Regional Board), and the Regional Board or the State Water Board has prescribed waste discharge requirements or found that none are required. This condition also provides that no water shall be used until Permittee has prepared and the Regional Board has approved a mitigation plan that will ensure that increased wastewater discharges from the Deer Creek and El Dorado wastewater treatment plants due to water use under this permit will not reasonably affect wildlife habitat or aquatic habitat.

On August 8, 2008, EID submitted the following documentation: (1) Order R5-2007-0069, NPDES No. CA 0078671, Waste Discharge Requirements for the El Dorado Hills Wastewater Treatment Plant; (2) Order R5-2002-020, NPDES No. CA 0078662, Waste Discharge Requirements for the Deer Creek Wastewater Treatment Plant; (3) Order No. R5-2002-0210 (Amendment No. 1) (as amended by Resolution No. R5-2005-0028, Waste Discharge Requirements for Deer Creek Wastewater Treatment Plant; (4) Order R5-2002-0210, NPDES No. CA 0078662, Waste Discharge Requirements for the Deer Creek Wastewater Treatment Plant; and (5) Order WR 95-9 Reconsidering Approval of Changes in Point of Discharge, Purpose of Use, and Place of Use of Treated Wastewater Subject to Terms and Conditions for the Deer Creek Waste Water Treatment Plant. Therefore, EID documented compliance with this condition.

Condition 19

Condition 19 does not allow diversion until Permittee has adopted a general plan protective of threatened and endangered plant species.

On August 4, 2008, EID documented compliance with this term by indicating that El Dorado County adopted a General Plan in 2004, which was subsequently approved by the local voters and the Sacramento County Superior Court.

Condition 24

This condition provides that, in accordance with Section 6100 of the Fish and Game Code, no work shall be started on the diversion works and no water shall be diverted under this permit until permittee has implemented measures to protect fishlife.

EID indicates that it is not constructing any facilities at this time. Consequently, the condition is not currently in effect. EID states that it will comply with the term in the future when it constructs facilities. In its August 4, 2008 submittal, EID states that the Kyburz diversion dam at the head of the El Dorado Canal that will be used for the temporary urgency petition has a fish screen, which was approved by the Department of Fish and Game (DFG). The Division concurs that there are no actions associated with the urgency petition that would trigger the need to implement any additional measures in order to comply with condition 24.

Condition 29

Condition 29 requires the Permittee to have a contract with Reclamation prior to diversion at Folsom Reservoir.

Although modification of condition 29 is not part of the petition, the Division must determine if all pre-conditions for water use under the permit have been met. In its August 4, 2008 submittal, EID states that the condition is irrelevant because EID will not be using the Folsom Reservoir point of diversion for the urgency action. A contract is not required for the diversion locations specified in the urgency petition. The Division concurs that a contract is not required for the temporary urgency petition.

3.0 PUBLIC NOTICE OF THE PETITION

The State Water Board will issue and deliver to EID as soon as practicable a notice of the temporary urgency change petition pursuant to Water Code section 1438, subdivision (a). Pursuant to Water Code section 1438, subdivision (b)(1), EID is required to publish the notice in a newspaper having a general circulation, and that is published within the counties where the points of diversion lie. The State Water Board will also mail or provide electronic copy of the notice to the interested parties who have requested notice of proposed temporary urgency changes and to other known interested parties. The State Water Board will post the notice of the temporary urgency change and a copy of the petition for temporary urgency change and accompanying materials on its website.

4.0 COMMENTS REGARDING THE PETITION

4.1 Reclamation

On July 25, 2008, Division staff contacted Reclamation staff Ray Sahlberg and Marty Kaiser regarding the petition. Reclamation indicated that the additional water flowing into Folsom Lake due to Caples Lake drawdown releases by EID this year was beneficial. Reclamation was concerned, however, about whether the subsequent refill of Caples Lake next year would result in lower inflow at Folsom Lake than would otherwise occur.

The Division notes that drawdown of the lake will occur, irrespective of whether the petition is approved, to facilitate emergency repairs. Thus, the impact that Reclamation is concerned about, lowering of the lake and resultant refill, is associated with the repair project, not the temporary urgency change petition.

4.2 Department of Fish and Game

On August 8, 2008, DFG advised the Division that the effects of Caples Lake drawdown will be mitigated to the greatest extent feasible under the given circumstances based on a proposed fish restocking plan and collaboration on fish rescue, and the State Water Board should approve the urgency petition. DFG requested clarification that the relief requested from lake level and minimum bypass/release flow requirements would be limited to the duration of the construction repair work and until the lake refills to a level whereby the specified minimum streamflows can be resumed. DFG recognized that the request for the temporary urgency change and the drawdown for repairs at Caples Lake are two separate issues in terms of biological effects. Thus, DFG found that the temporary urgency change will not have unreasonable effects upon fish and wildlife resources.

5.0 COMPLIANCE WITH CEQA

EID prepared a Notice of Exemption for the Caples Lake Dam Outlet Works Emergency Repairs and Water Salvage Project on July 30, 2008. EID states in its Notice of Exemption that the proposed action is exempt from CEQA (Sec. 21080(b)(2)(4); 15269(b),(c)) because the emergency repairs to the dam are

necessary to prevent uncontrolled water releases from the dam should the dam outlet facilities fail in the open position. Uncontrolled releases would pose risks to public safety and the environment and impede EID's ability to provide adequate drinking water to its customers and generate hydroelectric power for the California market. In addition, EID found that the redirection of water released from Caples Lake to Jenkinson Lake is necessary to maintain essential water service to the public.

The State Water Board has reviewed the information submitted by EID and has determined that the petition qualifies for an exemption under CEQA. The emergency repairs to the dam, and the associated drawdown of Caples Lake, are necessary to prevent or mitigate the loss of, or damage to, life, health, property, or essential public services that would occur if the slide gates within Caples Lake Dam were to fail. EID has documented the potential impacts associated with failure of the dam gate mechanisms and has also documented the extremely poor condition of the existing gates. A video of the dive inspection showing the need for imminent repair is available on the EID website. To implement the repairs, EID's contractor needs to work in dry conditions for purposes of health and safety. Thus, the lake must be drawn down during the repair period and flows at the dam curtailed during installation of the new gate facilities.

In addition, the re-storage in Jenkinson Lake of some of the water released from Caples Lake is necessary to mitigate the impact of the emergency repair work on EID's ability to supply water to its customers, which is an essential public service. EID indicates that it will have less water in storage in its water supply system as a result of the emergency repair project. If next winter is classified as a dry or critically dry year, EID states that it will have a high risk of water shortage.

The State Water Board will issue a Notice of Exemption for the temporary urgency change petition pursuant to section 21080, subdivision (b)(4) of the Public Resources Code and section 15269, subdivision (c) of the CEQA Guidelines.

6.0 CRITERIA FOR APPROVING THE PROPOSED TEMPORARY URGENCY CHANGE

Any permittee or licensee who has an urgent need to change a point of diversion, place of use, or purpose of use from that specified in the permit or license can petition for a conditional temporary change order provided under Chapter 6.6 of part 2, division 2, of the Water Code, starting at section 1435. The State Water Board's regulation, at California Code of Regulations, title 23, section 791, subdivision (e), provides that the State Water Board shall follow as nearly as possible the procedures for changes in point of diversion, place of use, or purpose of use when processing petitions for other types of changes in water right permits and licenses. Accordingly, the procedures under Water Code section 1435 are applicable to changes to terms and conditions of water right permits and licenses.

The State Water Board must make the findings specified in section 1435, subdivision (b) when issuing a temporary change order pursuant to chapter 6.6. The required findings are:

1. The permittee or licensee has an urgent need to make the proposed change;
2. The proposed change may be made without injury to any other lawful user of water;
3. The proposed change may be made without unreasonable effect upon fish, wildlife, or other instream beneficial uses; and
4. The proposed change is in the public interest, including findings to support change order conditions imposed to ensure that the change is in the public interest, and may be made without injury to any other lawful user of the water, and without unreasonable effect upon fish, wildlife, and other instream beneficial uses.

6.1 Urgency of the Proposed Change

Under Water Code section 1435, subdivision (c), an urgent need to make a proposed change exists when the State Water Board concludes that the proposed temporary change is necessary to further the constitutional policy that the water resources of the State be put to beneficial use to the fullest extent of

8.0 CONCLUSIONS

The State Water Board has adequate information in its files to make the evaluation required by Water Code section 1435.

I conclude that, based on the available evidence:

1. The permittee has an urgent need to make the proposed change;
2. The petitioned change will not operate to the injury of any other lawful user of water.
3. The petitioned change will not have an unreasonable effect upon fish, wildlife, or other instream beneficial uses; and,
4. The petitioned change is in the public interest.

ORDER

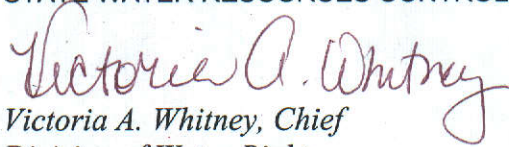
NOW, THEREFORE, IT IS ORDERED THAT: the filed petition for temporary change is approved for a period of 180 days.

All existing terms and conditions of Permit 21112 remain in effect, except as temporarily amended for a period of 180 days by the following provisions:

1. Permit condition 9 is waived for the duration of the temporary change.
2. Permit condition 12 is waived only until the emergency dam repairs are completed and it is feasible to release water from Caples Lake Dam. Permittee shall resume the required bypasses/releases from Caples Lake as soon as feasible after completion of repairs and shall notify the Division within 10 days of completion of repairs. If flows are inadequate to fully comply with bypass/release requirement of Permit 21112, Permittee shall notify the Division Chief immediately upon completion of repairs, and shall provide an alternate schedule of flow bypasses/releases for modification and approval of the Chief, Division of Water Rights.
3. Rediversion and storage of 4,000 af in Jenkinson Lake using the following points of rediversion is approved. The water temporarily stored in Jenkinson Lake shall be put to beneficial use prior to end of the 180-day period of this Order.
 - (a) Point of rediversion at Sly Park Dam (Jenkinson Lake): South 3,375 feet and West 2,830 feet from NE corner of Section 17, T10N, R13E, MDB&M, being within the NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Section 17.
 - (b) Point of rediversion at El Dorado Canal: North 52° 02' West, 1,596.7 feet from SE corner of Section 29 T11N, R15E, MDB&M, being within the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of said Section 29.
4. This Order does not authorize any act that results in the taking of a threatened or endangered species, or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code sections 2050 to 2097) or the federal Endangered Species Act (16 U.S.C.A. sections 1531 to 1544). If a "take" will result from any act authorized under this Order, the permittee shall obtain authorization for an incidental take permit prior to construction or operation. Permittee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the temporary urgency change authorized under this Order.

5. The State Water Board reserves jurisdiction to supervise the temporary urgency change under this Order, and to coordinate or modify terms and conditions, for the protection of vested rights, fish, wildlife, instream beneficial uses and the public interest as future conditions may warrant.
6. EID shall record the beneficial use of water by using USGS gages 11436900, 11437000, 11439501, 11439500 and EID gages at the Hazel Tunnel diversion from the El Dorado Canal and at the Sly Park Dam (Jenkinson Lake) and shall report diversions to the Division by March 15, 2009.

STATE WATER RESOURCES CONTROL BOARD



*Victoria A. Whitney, Chief
Division of Water Rights*

Dated: **AUG 14 2008**