

## DOCKETED

<b>Docket Number:</b>	06-AFC-09C
<b>Project Title:</b>	Colusa Generating Station - Compliance
<b>TN #:</b>	203286
<b>Document Title:</b>	Glenn Colusa Irrigation District Revised Agreement
<b>Description:</b>	GCID Agreement
<b>Filer:</b>	Charles Robert Price
<b>Organization:</b>	Pacific Gas & Electric Co.
<b>Submitter Role:</b>	Applicant
<b>Submission Date:</b>	10/30/2014 3:59:26 PM
<b>Docketed Date:</b>	10/30/2014



Ed Warner  
Senior Plant Manager

*Mailing Address*  
Pacific Gas and Electric Company  
Colusa Generating Station  
P.O. Box 398  
Maxwell, CA 95955

530.934.9061  
Fax: 530.934.9024

CGS14-L-0024  
October 28, 2014

Mr. Eric Veerkamp  
California Energy Commission  
1516 Ninth Street, MS-2000  
Sacramento, CA 95814

Subject: Colusa Generating Station Project (06-AFC-9C)  
Condition of Certification S&W-11 – Revised GCID Agreement

Dear Eric:

In compliance with Condition of Certification Soil and Water-11, attached is a copy of our revised Glenn Colusa Irrigation District (GCID) agreement allowing for the taking of water directly from the GCID canal. This agreement was executed on October 2, 2014 and we will begin removing water from the canal for Operations beginning November 1<sup>st</sup>. If you have any questions, please contact me at (530) 934-9007.

Sincerely,

A handwritten signature in black ink that reads 'Charles Price'.

Charles Price  
Senior Environmental Consultant

cc: File No. 3.6.3.1  
E. Warner, PG&E  
J. Vann, PG&E  
S. Gassner PG&E

ORIGINAL

**SUPPLEMENTAL AGREEMENT BETWEEN  
GLENN-COLUSA IRRIGATION DISTRICT  
AND  
PACIFIC GAS & ELECTRIC COMPANY  
FOR THE TRANSFER, CONVEYANCE AND DELIVERY OF WATER**

This supplemental agreement ("Agreement") is made the 2nd day of October, 2014 by and between the Glenn-Colusa Irrigation District (herein referred to as "GCID") and Pacific Gas & Electric Company (herein referred to as "PG&E") (individually, along with their successors and assigns, a "Party"; and collectively, along with their successors and assigns, the "Parties").

**RECITALS**

A. GCID is a public agency located in Glenn and Colusa Counties, California, created and existing under the Irrigation District Law (Division 11 of the California Water Code, commencing with section 20500), and is empowered to transfer and sell its surplus water for use outside of its boundaries.

B. PG&E, among other actions, owns and operates a 660 mega-watt power plant near the town of Maxwell in Colusa County, California (herein referred to as the "Power Plant").

C. PG&E's Power Plant requires a maximum of 180 AF of water per year. Pursuant to the December 11, 2008 Agreement Between Glenn-Colusa Irrigation, the County of Colusa, Holthouse Water District, and Pacific Gas and Electric Company for the Transfer, Conveyance and Delivery of Water ("2008 Water Agreement"), PG&E contracted with GCID, Holthouse Water District (herein referred to as "Holthouse") and the County of Colusa, California (herein referred to as "Colusa") for such water supply for a period of 30 years for the plant operation, subject to the right of PG&E to extend the term of the water supply as provided in the 2008 Water Agreement.

D. Pursuant to the 2008 Water Agreement, GCID agreed to sell to PG&E up to 180 AF annually of Central Valley Project water made available by the Bureau of Reclamation ("Project Water") and delivered under the GCID Contract or, as transferred from Holthouse to the County. If Project Water cannot be made available as anticipated under the 2008 Water Agreement,

GCID agreed under Article 4(C) of the 2008 Water Agreement to sell PG&E other water (“Non-Project Water.”)

E. Article 4(C) of the 2008 Water Agreement specifically provides that the methods, source and means of delivery of Non-Project Water shall be negotiated in good faith by GCID and PG&E, and the performance shall be performed in accordance with terms and conditions mutually agreed upon by GCID and PG&E.

F. GCID has notified PG&E that Project Water may not be made available to PG&E if current drought conditions in the State of California continue into the future. Therefore, the Parties have determined that a supplemental agreement to provide for the methods, source and means of delivery of Non-Project Water is necessary.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other valuable mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**1. Recitals Incorporated.** The truth and accuracy of the foregoing recitals are hereby acknowledged by the Parties, and the recitals are incorporated herein by this reference and made a part hereof for all purposes.

**2. 2008 Water Agreement Incorporated.** The 2008 Water Agreement, a copy of which is attached hereto as **Exhibit A**, is hereby incorporated by this reference in its entirety. This Agreement is not intended to alter, amend, or modify any material term or provision of the 2008 Water Agreement; this Agreement instead is a supplemental agreement with additional provisions specific to GCID and PG&E. To the extent there is a conflict between a provision of this Agreement and the 2008 Water Agreement, the provisions of the 2008 Water Agreement are controlling. All rights, duties, obligations, representations, warranties, and understandings applicable to GCID and PG&E under the 2008 Water Agreement remain in full force and effect under this Agreement.

**3. Definitions.** Capitalized terms that are not defined in this Agreement have the meanings given to them in the 2008 Water Agreement.

#### 4. Delivery Conditions, Measurement and Point of Delivery.

A. In the event that less than 180 AF of Project Water can be made available to PG&E in a given year as described in Article 4, Paragraph (C) of the 2008 Water Agreement, GCID shall arrange for the diversion and conveyance to PG&E of Non-Project Water in an amount equal to 180 AF minus the amount of Project Water diverted and conveyed that year to PG&E under the 2008 Water Agreement.

B. The Non-Project Water will be conveyed via the Glenn-Colusa Main Canal for transfer and delivery to PG&E at the PG&E Pumping Station located at the GCID canal and Dirks Road. GCID shall provide PG&E with sixty days' written notice that it intends to commence diversion and conveyance of Non-Project Water to PG&E pursuant to this Agreement.

C. GCID shall arrange for a meter to be installed at the point where GCID will discharge Non-Project Water into PG&E's water pipeline for conveyance to the Power Plant. PG&E's water pipeline will be located on those certain lands of Allan Azevedo situated in the County of Colusa, State of California, and described in **Exhibit B** hereto. PG&E will provide GCID with access to the meter located at the PG&E plant. The Parties acknowledge that GCID shall have no interest in or responsibility for the construction, operation, maintenance or repair of this pipeline. It is the Parties' understanding that said meter will be read monthly by GCID in order to determine the actual quantity of Non-Project Water delivered by GCID to PG&E during the preceding month. Upon such determination, GCID shall prepare or cause to be prepared a monthly statement of the actual quantities of Non-Project Water delivered each month, and GCID shall promptly forward copies of such reports to PG&E. Said metering equipment shall meet the requirements of GCID and shall be mutually agreed to by the Parties. Said meter shall be owned, installed, maintained and monitored by GCID or its authorized agent.. GCID shall invoice PG&E, and PG&E shall pay GCID, for all reasonable and necessary charges and costs incurred by GCID for purchasing, installing, maintaining and monitoring said meter. Any Party to this Agreement may request a test if it has good cause to believe that said meter is not registering accurately. GCID shall promptly thereafter perform such test. Any Party shall be entitled to reasonable advance notice of any test to said meter and shall have the right to be

present at any test of said meter. If said meter is found to be inaccurate by more than plus or minus 5%, it shall be immediately repaired or replaced by GCID at PG&E's expense. In order to agree upon appropriate charges for the period of such inaccuracy, the Parties shall meet and confer in good faith regarding the quantity of water delivered to PG&E hereunder. The Parties shall consider past periods of similar operation and any relevant operating data.

**5. Payment.**

A. Irrespective of whether in any calendar year GCID delivers to PG&E Project Water pursuant to the 2008 Water Agreement, Non-Project Water pursuant to this Agreement, or a combination thereof, PG&E shall pay to GCID the Base Purchase Payment and the Supplemental Purchase Price for the water sold and delivered by GCID. Such payment by PG&E to GCID shall be made in accordance with Article 4, Paragraph (C), and Article 5, Paragraphs (B), (D), (I) and (J) of the 2008 Water Agreement.

B. PG&E shall reimburse GCID for all reasonable and necessary engineering, legal, environmental, agency approval costs and other out-of-pocket expenses that GCID incurs in fulfilling its obligations to deliver and convey Non-Project Water under this Agreement. PG&E shall reimburse such costs within thirty days after GCID submits an invoice to PG&E for such costs.

**6. Term.** The Primary Term of this Agreement shall be contemporaneous with the term of the 2008 Water Agreement. PG&E maintains the same option to extend the Primary Term of this Agreement for one or two Extension Terms pursuant to the provisions of Article 7(B) of the 2008 Water Agreement.

**7. Diversion of Water.** As long as GCID is delivering Non-Project Water under this Agreement to PG&E via the Glenn-Colusa Canal, PG&E shall have the right to divert quantities of Non-Project Water from the Glenn-Colusa Canal at any time and in such quantities as PG&E requires to operate the Power Plant, provided that in no event shall such water diversions exceed 250 gallons per minute instantaneous flowrate or in any calendar year 180 AF minus the amount of Project Water diverted and conveyed to PG&E under the 2008 Water Agreement. PG&E may also convey such Non-Project Water to the Power Plant via tanker truck.

**8. Miscellaneous.**

A. The Provisions of Article 18 of the 2008 Water Agreement shall apply to this Agreement.

B. Notice. Any notice, request, tender, demand, delivery, approval or other communication provided for, required or arising under this Agreement shall be in writing and shall be deemed delivered upon personal service or three business days after deposit in the United States mail, certified or with return receipt requested, addressed to the Party as follows, or such other address as a Party may by notice designate:

TO: GCID  
Thaddeus L. Bettner  
P.O. Box 150  
Willows, CA 95988

cc: Andrew Hitchings  
Somach, Simmons & Dunn  
813 Sixth Street, Third Floor  
Sacramento, CA 95814

TO: PG&E  
Randal S. Livingston  
Vice-President-Power Generation  
Mail Code N11E  
P. O. Box 770000  
San Francisco, CA 94105

cc: Matthew A. Fogelson  
Attorney  
Mail Code B30A  
P. O. Box 770000  
San Francisco, CA 94105



C. Signatures. This Agreement may be signed in counterparts. Signatures transmitted by email or facsimile shall be deemed to be originals.

**The foregoing is agreed to by the Parties hereto.**

Date:

**Glenn-Colusa Irrigation District**



Thaddeus L. Bettner,  
General Manager

*Approved as to form*

By:



Andrew Hitchings, District Counsel

Date:

*October 6, 2014*

**Pacific Gas and Electric Company**



Steve Royall, Director – Director of Fossil  
and Renewable Generation

*Approved as to form*

By:



Matthew A. Fogelson, Law Department



T. 18 N., R. 4 W.,  
MDM S 1/2 SEC 36

**JEFFREY HOLTHOUSE  
AND OTHERS**  
REC'S SER #2013-0001210  
APN 011-140-014

72' WIDE PG&E ROAD ESMT  
LD 2418-04-0065  
DOC #2008-0002977

**COLUSA POWER PLANT**  
APN 011-040-032

**DELEVEN COMPRESSOR STATION**  
PG&E CO.  
LD 2418-04-0026  
APN 011-040-013

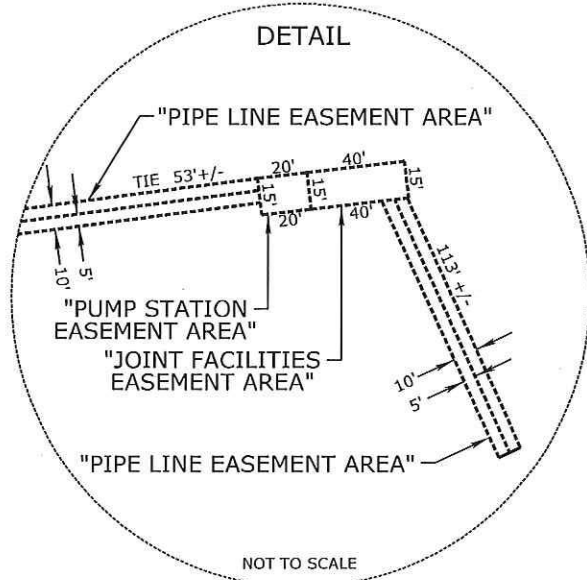
30' WIDE PG&E ROAD ESMT  
LD 2418-04-0026  
295 OR 442

**JEFFREY HOLTHOUSE  
AND OTHERS**  
REC'S SER #2013-0001210  
APN 011-140-004

30' WIDE PG&E ROAD ESMT  
LD 2418-04-0050  
295 OR 703

T. 18 N., R. 4 W., SEC 36  
T. 17 N., R. 4 W., SEC 1

**JEFFREY HOLTHOUSE  
AND OTHERS**  
REC'S SER #2013-0001210  
APN 011-040-026



**ALLAN & MARY AZEVEDO**  
REC'S SER #2006-0001577  
APN 011-040-029

**ALLAN & MARY AZEVEDO**  
REC'S SER #2006-0001577  
APN 011-140-021

SEE DETAIL

CENTRAL CANAL

AUTHORIZATION 7084925	
BY	DED2
DR	T2M7
CH	C4CK
O.K.	C4CK
DATE	9-9-2014

**COLUSA GENERATING STATION  
WATER LINE EASEMENT**

**EXHIBIT "A"**

PACIFIC GAS AND ELECTRIC COMPANY  
San Francisco California



JCN	6-14-067
AREA	North Valley
COUNTY	Colusa
SCALE	1"=200'
SHEET NO.	1 OF 1
DRAWING NUMBER	L4-18-04-36
CHANGE	