

CALPINE CORPORATION

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April 20, 2011

Ms. Christina Snow Compliance Project Manager California Energy Commission 1516 9th Street Sacramento, CA 95614

RE: Draft Streambed Alteration Agreement for the Grimes Pipeline Project Amendment 97-AFC-02

Dear Ms. Snow:

On behalf of the Sutter Energy Center, this letter transmits the draft Streambed Alteration Agreement (SAA) prepared by the California Department of Fish and Game for construction of the Grimes Pipeline Project.

Calpine has advised CDFG of two edits to the draft SAA Exhibit B: "Methods and Locations of Pipe Installation". Where the proposed pipeline would cross jurisdictional drainages, changes are required to reflect that crossings of drainages OWD-31 and WD-07 may be either by trenching or boring. While this is not indicated on the attached Exhibit B, it was discussed with the CEC during the Project site visit and with CDFG. The corrected Exhibit B will be formally modified for the final SAA and Calpine will send this to the CEC when accepted by CDFG.

If you have any questions, please contact me at (925) 557-2238.

Sincerely,

Barbara McBride

Western Regional Director, Environmental Health and Safety



DEPARTMENT OF FISH AND GAME

North Central Region 1701 Nimbus Road, Suite A Rancho Cordova, CA 95670-4599 916-358-2900

April 14, 2011

www.dfg.ca.gov

Mike Rogers **CPN Pipeline Company** 10350 Socrates Mine Road Middletown, CA 95461

Subject: Draft Lake or Streambed Alteration Agreement

Notification No. 1600-2011-0011-R2

Grimes Pipeline Project

Dear Mr. Rogers:

The Department of Fish and Game (Department) has determined that your project requires a Lake or Streambed Alteration Agreement (Agreement) because it could substantially adversely affect an existing fish or wildlife resource. Enclosed is a draft Agreement that includes measures the Department has determined are necessary to protect existing fish and wildlife resources.

Within 30 days of receipt of this draft Agreement, you must notify the Department in writing whether the measures to protect fish and wildlife resources are acceptable (Fish and Game Code section 1603). If you agree with the measures set forth in the draft Agreement, you or your authorized representative must return two copies of the draft Agreement with original signatures to the above address.

If you disagree with any measures in the draft Agreement, please contact the Department staff identified below. In the event that mutual agreement is not reached. you may follow the dispute resolution process described in Fish and Game Code section 1603(a), Part III of the "Notification Instructions and Process." If you fail to respond in writing within 90 days of receiving the draft Agreement, the Department may withdraw the draft Agreement.

Please be advised the Department may not execute the Agreement until it has complied with the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et seq.) as the lead or a responsible agency. Please note that the draft Agreement may be subject to change upon receipt and review of the environmental document for the project.

When acting as a CEQA responsible agency, the Department must first receive the following: 1) a certified or approved environmental document prepared in accordance with CEQA; 2) Notice of Determination, if one is filed; 3) CEQA Findings; and 4) proof

Mike Rogers March 29, 2011 Page 2 of 2

that the environmental filing fee required under Fish and Game Code section 711.4 has been paid. If the lead agency determined that the project is exempt under CEQA, please provide a copy of the Notice of Exemption or other information that indicates the basis for the exemption.

After you receive a final Agreement executed by the Department, you may begin the project the Agreement authorizes provided you have obtained all other necessary local, state, and federal permits or other authorizations.

For more information on the process described above, please refer to Part IV in the "Notification Instructions and Process" included with your notification materials, which is also available at www.dfg.ca.gov/habcon/1600/notificationpackage.pdf.

If you have any questions regarding this letter, please contact Sandra Jacks, Environmental Scientist at 916-358-2916 or sjacks@dfg.ca.gov.

Sincerely,

Sandra Jacks

Environmental Scientist

ec: Mike Rogers

Michael.Rogers@calpine.com

Sue Bushnell sbushnell@icfi.com

Kathleen Campbell

Kathleen.Campbell@calpine.com

CALIFORNIA DEPARTMENT OF FISH AND GAME

North Central Region 1701 Nimbus Road, Suite A Rancho Cordova, CA 95670-4599 916-358-2900

Streambed Alteration Agreement
Notification No. 1600-2011-0011 -R2
Unnamed Tributaries to the Sacramento River and the Sutter Bypass
Grimes Pipeline Project



This Streambed Alteration Agreement (Agreement) is entered into between the California Department of Fish and Game (DFG) and CPN Pipeline Company (Permittee) as represented by Mike Rogers.

RECITALS

WHEREAS, pursuant to Fish and Game Code (FGC) section 1602, Permittee notified DFG on January 18, 2011, that Permittee intends to complete the project described herein.

WHEREAS, pursuant to FGC section 1603, DFG has determined that the project could substantially adversely affect existing fish or wildlife resources and has included measures in the Agreement necessary to protect those resources.

WHEREAS, Permittee has reviewed the Agreement and accepts its terms and conditions, including the measures to protect fish and wildlife resources.

NOW THEREFORE, Permittee agrees to complete the project in accordance with the Agreement.

PROJECT LOCATION

The project is located unnamed tributaries to the Sacramento River, in the County of Sutter, State of California; multiple locations sites extending 2.8 miles south and northeast of the town of Grimes along Moroni Rd (latitude 39.363290 and longitude - 122.257619) to Girdner Rd (latitude 39.383757 and longitude -122.026904).

PROJECT DESCRIPTION

This project will install a new gas line extending approximately 2.8 miles, the pipeline will head primarily south from Moroni Rd to Girdner Road (Exhibit A). In order to cross 11 drainages, three methods will be used to install the pipe: trenching, auger bore and horizontal directional drilling (HDD). One culvert will be installed at Rd-10. All methods are delineated on the maps provided in the Notification. Exhibit B contains an itemized list of the method that will be used at each of the various drainages. The work will be conducted as described in the project description and shown on the plans submitted on January 18, 2011 and according to the conditions in this agreement.

If dewatering is necessary in rice fields and other areas where the ground water intercepts the trench or where storm water runoff flows into the trench, then pump water into a nearby agricultural ditch and filter for sediment if necessary.

Trenching

Trenching entails digging a 30- to 36-inch-wide by 72- to 84-inch-deep trench using a bucket wheel ditcher or a backhoe. Place all excavated subsoil at one side of the 70-foot-wide construction Right-of-Way (ROW) and use for backfilling the trench after the pipe is installed. Re-use all soil removed from the trench in the same site, and haul no material offsite.

To replace the material in the trench, place the subsoil and topsoil on the pipe in the trench, ensuring that the surface is returned to its original grade or level.

Boring

Auger boring or horizontal directional drill (HDD) will be used to cross public roads and large irrigation canals and ditches.

The auger boring method involves the excavation of bore pits on each side of the crossing to a depth below the invert elevation of the pipe. Then, an auguring machine is lowered into the bore pit, a hole is augured along the alignment, and a pilot pipe is jacked forward behind the auger head. When the auger reaches the bore pit on the opposite side, the carrier pipe is pulled or jacked through as the pilot pipe is removed.

The *HDD* method may be used for longer and deeper crossings or if significant Ground water makes the auger method impractical. This method requires a pilot hole that may be wet-bored by hydraulic cutting action using a jet nozzle, then reamed to the appropriate diameter with a reaming bit. These types of guided bores typically use bentonite, a fine, nontoxic clay that, when mixed with water, provides the necessary lubricant and operating fluid for the drilling process. The mixture is injected into the drill under pressure and recirculated back to the surface, where it is filtered and reused.

Spill prevention measures specified in the storm water pollution prevention plan (SWPPP) will be implemented to minimize the risk of bentonite entering waterways during boring. Although bentonite contamination rarely occurs, bentonite can reach the ground surface and enter surface waters if the bore encounters a rock fracture during high-pressure boring operations.

Restore all surfaces of the ROW by removing any construction debris, grading to original grade and contour, and revegetating in nonagricultural areas with native vegetation. A slight crown may be retained over the top of the trench to allow for settling.

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 3 of 15

PROJECT IMPACTS

Existing fish or wildlife resources the project could substantially adversely affect include: Giant garter snake, Tricolored blackbird, warm water fish species, amphibians, and other aquatic and terrestrial plant and wildlife species.

The potential permanent or temporary adverse effects this project could have on the fish or wildlife resources identified above include: soil compaction or other disturbance to soil layer; increased sedimentation (chronic or episodic); construction pits and trenches that can capture terrestrial organisms; disruption to wildlife: direct take of terrestrial species; disturbance from project activity; temporary loss of wildlife connectivity to water source; loss or impediment of terrestrial animal species travel routes due to temporary structures (e.g., survey tape, sandbags, erosion protection materials etc.).

STREAM ZONE DEFINED

All components of a stream, including the channel, bed, banks, and floodplains. The Stream Zone is the land, including vegetation, that bounds a lake or the channel of a stream and that defines the lateral extent of their waters.

MEASURES TO PROTECT FISH AND WILDLIFE RESOURCES

1. Administrative Measures

Permittee shall meet each administrative requirement described below.

- 1.1 <u>Documentation at Project Site</u>. Permittee shall make the Agreement, any extensions and amendments to the Agreement, and all related notification materials and California Environmental Quality Act (CEQA) documents, readily available at the project site at all times and shall be presented to DFG personnel, or personnel from another state, federal, or local agency upon request.
- 1.2 Providing Agreement to Persons at Project Site. Permittee shall provide copies of the Agreement and any extensions and amendments to the Agreement to all persons who will be working on the project at the project site on behalf of Permittee, including but not limited to contractors, subcontractors, inspectors, and monitors.
- 1.3 <u>Notification of Conflicting Provisions</u>. Permittee shall notify DFG if Permittee determines or learns that a provision in the Agreement might conflict with a provision imposed on the project by another local, state, or federal agency. In that event, DFG shall contact Permittee to resolve any conflict.
- 1.4 <u>Project Site Entry</u>. Permittee agrees that DFG personnel may enter the project site at any time to verify compliance with the Agreement.

- 1.5 <u>Authorized Work.</u> The notification, together with all supporting documents submitted with the notification, is hereby incorporated into this agreement to describe the location and features of the proposed project. The Permittee agrees that all work shall be done as described in the notification and supporting documents, incorporating all project modifications, wildlife resource protection features, mitigation measures, and provisions as described in this agreement. Where apparent conflicts exist between the notification and the provisions listed in this agreement, the Permittee shall comply with the provisions listed in this agreement. The Permittee further agrees to notify DFG of any modifications made to the project plans submitted to DFG. At the discretion of DFG, this agreement will be amended to accommodate modifications to the project plans submitted to DFG and/or new project activities.
- 1.6 <u>Does Not Authorize "Take."</u> This agreement does not authorize "take" of any listed species. Take is defined as hunt, pursue, catch, capture or kill or attempt to hunt, pursue, catch, capture, or kill. If there is potential for take of any listed species to occur, the Operator shall consult with the Department as outlined in Fish and Game Code Section 2081 and shall obtain the required state and federal threatened and endangered species permits.

2. Avoidance and Minimization Measures

To avoid or minimize adverse impacts to fish and wildlife resources identified above, Permittee shall implement each measure listed below.

- 2.1 Work Period. The time period for completing the work within the stream zone shall be restricted to periods of low stream flow and dry weather and shall be confined to the period of May 1 to October 1. Construction activities shall be timed with awareness of precipitation forecasts and likely increases in stream flow. Construction activities within the stream zone shall cease until all reasonable erosion control measures, inside and outside of the stream zone, have been implemented prior to all storm events. Revegetation, restoration and erosion control work is not confined to this time period.
- 2.2 Work Period Extensions. At DFG's discretion, the work period may be extended based on the extent of the work remaining, on site conditions and reasonably anticipated future conditions. If the Permittee finds more time is needed to complete the authorized activity, the Permittee shall submit a written request for a work period time extension to DFG. The work period extension request shall provide the following information: 1) Describe the extent of work already completed; 2) Provide specific detail of the activities that remain to be completed within the stream zone; and 3) Detail the actual time required to complete each of the remaining activities within the stream zone. The work period extension request should consider the effects of increased stream conditions, rain delays, increased erosion control measures, limited access due to saturated soil conditions, and limited growth of erosion control grasses due to cool weather. Photographs of the work completed and the proposed work areas are helpful in assisting DFG in its evaluation. Time extensions are issued at the discretion of DFG. DFG will have

- ten calendar days to approve the proposed work period extension. DFG reserves the right to require additional measures designed to protect natural resources.
- 2.3 No Equipment in the Water. No equipment shall work in the water.
- 2.4 <u>Snake fencing/Silt fencing.</u> If excavation pits will be left open for multiple days, silt fencing (geotextile filter fabric on wooden stakes) or a Department-approved alternative shall be installed (and partially buried per standard specifications) on the ditch side of the excavation pits to keep snakes and other wildlife from entering the pits.
- 2.5 <u>Spoil Placement.</u> To prevent burying, trapping, or crushing giant garter snakes, spoil from project operations shall not be placed on or near the canal banks where near is a risk of covering rodent burrows or bank-top soil crevices.
- 2.6 Escape Ramp in Excavation Pits. At the end of each work day, an escape ramp shall be placed at each end of the open excavation to allow any animals that may have become entrapped in the trench to climb out overnight. The ramp may be constructed of either dirt fill or wood planking or other suitable material that is placed at an angle no greater than 30 degrees.
- 2.7 <u>Biological Monitor</u>. The Permittee shall provide biological monitors for work within giant garter snake habitat and they shall direct access and construction activities. The Biological Monitor shall conduct Environmental Awareness Training, Preconstruction Surveys, survey open excavations every morning prior to start of work, and be present during all work with special attention to excavations, spoil placement, backfilling, and silt fence/snake fence installation and removal.
- 2.8 Environmental Awareness Training. All construction personnel shall receive worker environmental awareness training conducted by a qualified biologist. This training shall instruct workers to recognize giant garter snakes, their habitat(s), and nature and purpose of protection measures, and the terms and conditions of any permit applicable to the Project.
- 2.9 <u>Preconstruction Surveys for GGS.</u> Twenty-four hours prior to construction activities, a biological monitor shall survey the work areas within potential giant garter snake habitat for giant garter snakes. Surveys of work areas shall be repeated if a lapse in construction activity of 48 hours or greater has occurred. The results of this preconstruction survey shall be reported to Kelley Barker at the Department even if no snakes are observed.
- 2.10 Check for Snakes Under Vehicles. The biological monitor as well as all construction personnel shall visually check for snakes under parked vehicles and equipment within giant garter snake habitat area prior to moving them. If snakes or other listed species are observed by crews, construction personnel will contact the biological monitor.

- 2.11 Giant Garter Snake Encounters. If giant garter snake is encountered during construction or preconstruction surveys, activities shall cease at that work area until the animal has moved out of the work area on its own. Sightings, work stoppage, and any incidental take will be immediately reported to the U.S. Fish and Wildlife Service (Service) at (916) 414-6600 and Kelley Barker at the California Department of Fish and Game at (916) 747-4319.
- 2.12 <u>Cover Open Pipes.</u> Open ends of pipes, conduits and similar materials shall be covered to exclude wildlife. Such materials shall be checked for signs of wildlife prior to disturbance.
- 2.13 <u>Garbage Storage and Removal.</u> Food wrappers and construction related garbage shall be contained in covered garbage cans and removed from the site.
- 2.14 No Pets, Firearms or Campfires. Workers will not be allowed to bring pets or firearms to with Project Area nor light campfires within the Project Area.
- 2.15 <u>Heavy Equipment Confined to Existing Roads.</u> Construction activities that occur within suitable giant garter snake upland habitat will be minimized. When possible, movement of heavy equipment shall be confined to existing roadways to minimize disturbance.
- 2.16 Restoration of Work Site/Excavated Soil Removal or Distribution. After completion of construction activities, temporary fill and construction debris shall be removed and disturbed areas shall be restored to pre-project conditions. Excavated soil shall either be removed from work site or backfilled into excavations. With Department approval, some excess excavated soil may be distributed over the existing work area.
- 2.17 <u>Frac-Out Plan.</u> The Permittee or the Contractor on behalf of the Permittee shall prepare a Jack/Bore Fluid Release Contingency Plan or other plan describing the response if a "frac-out" occurs. This plan shall be submitted to the Department for review and approval prior to commencement of construction activities.
- 2.18 <u>Cover Spoil Piles.</u> The contractor shall have readily available plastic sheeting or visquine and will cover exposed spoil piles and exposed areas to prevent these areas from losing loose soil into the stream. These covering materials shall be applied when it is evident rainy conditions threaten to erode loose soils into the stream.
- 2.19 Equipment Over Drip Pans. Stationary equipment such as motors, pumps, generators, and welders, located within or adjacent to the stream/lake shall be positioned over drip pans.
- 2.20 <u>Check Vehicles/Equipment Daily.</u> Any equipment or vehicles driven and/or operated within or adjacent to the stream/lake shall be checked and maintained daily to prevent leaks of materials that if introduced to water could be deleterious to aquatic life, wildlife, or riparian habitat.

- 2.21 Control Drilling Mud. At no time shall drill cuttings, drilling mud, and/or materials or water contaminated with bentonite or any other substance deemed deleterious to fish or wildlife be allowed to enter the stream or be placed where they may be washed into the stream. Any contaminated water/materials from the drilling and/or project activities shall be pumped or placed into a holding facility and removed for proper disposal.
- 2.22 <u>Speed Limits.</u> Where practical and safe to do so, vehicle speed within giant garter snake habitat areas of the Project shall be limited to 20 mph on unimproved access routes and roadways to avoid running over snakes.
- 2.23 <u>Bird Nests</u>. It is unlawful to take, possess, or needlessly destroy the nest or eggs of any bird except as otherwise provided by the Fish and Game Code. No trees that contain active nests of birds shall be disturbed until all eggs have hatched and young birds have fledged without prior consultation and approval of a DFG representative.
- 2.24 <u>Vegetation Removal</u>. Disturbance or removal of vegetation shall not exceed the minimum necessary to complete operations. No native trees shall be removed or damaged without prior consultation and approval of a DFG representative. Using hand tools (clippers, chain saw, etc.), trees may be trimmed to the extent necessary to gain access to the work sites. All cleared material/vegetation shall be removed out of the riparian/stream zone.
- 2.25 Sediment Control. Precautions to minimize turbidity/siltation shall be taken into account during project planning and implementation. This may require the placement of silt fencing, coir logs, coir rolls, straw bale dikes, or other siltation barriers so that silt and/or other deleterious materials are not allowed to pass to downstream reaches. Passage of sediment beyond the sediment barrier(s) is prohibited. If any sediment barrier fails to retain sediment, corrective measures shall be taken. The sediment barrier(s) shall be maintained in good operating condition throughout the construction period and the following rainy season. Maintenance includes, but is not limited to, removal of accumulated silt and/or replacement of damaged silt fencing, coir logs, coir rolls, and/or straw bale dikes. Products with plastic monofilament or jute netting (such as found in straw wattles/fiber rolls and some erosion control blankets) shall not be allowed. Wildlife-friendly erosion control and sediment control products that will not entangle snakes and other wildlife shall be used instead. Special provisions shall be included in the bid solicitation package that prohibit the use of monofilament or jute netting. If this is not possible, the contractors, subcontractors and anyone performing erosion or sediment control work on this project, shall be specifically instructed that these products are not allowed on the work site. The Permittee is responsible for the removal of non-biodegradable silt barriers after the disturbed areas have been stabilized with erosion control vegetation (usually after the first growing season). Upon DFG determination that turbidity/siltation levels resulting from project related activities constitute a threat to aquatic life, activities associated

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 8 of 15

with the turbidity/siltation shall be halted until effective DFG approved control devices are installed or abatement procedures are initiated.

2.26 <u>Pollution Control.</u> Utilize Best Management Practices (BMPs) to prevent spills and leaks into water bodies. If maintenance or refueling of vehicles or equipment must occur on-site, use a designated area and/or a secondary containment, located away from drainage courses to prevent the runoff of storm water and the runoff of spills. Ensure that all vehicles and equipment are in good working order (no leaks). Place drip pans or absorbent materials under vehicles and equipment when not in use. Ensure that all construction areas have proper spill clean up materials (absorbent pads, sealed containers, booms, etc.) to contain the movement of any spilled substances. Any substances which could be hazardous to aquatic life, resulting from project related activities, shall be prevented from contaminating the soil and/or entering the waters of the state. Any of these materials, placed within or where they may enter a stream or lake by the Permittee or any party working under contract or with the permission of the Permittee, shall be removed immediately. DFG shall be notified immediately by the Permittee of any spills and shall be consulted regarding clean-up procedures.

3. Compensatory Measures

To compensate for adverse impacts to fish and wildlife resources identified above that cannot be avoided or minimized, Permittee shall implement each measure listed below.

3.1 <u>Site Restoration</u>. All exposed/disturbed areas and access points within the stream zone left barren of vegetation as a result of the construction activities shall be restored using locally native grass seeds, locally native grass plugs and/or a mix of quick growing sterile non-native grass with locally native grass seeds. Seeded areas shall be covered with broadcast straw and/or jut netted (monofilament erosion blankets are not authorized).

4. Reporting Measures

Permittee shall meet each reporting requirement described below.

- 4.1 <u>Start and End of Work Notification.</u> The Permittee shall notify DFG at least two working days before beginning work and at least one working day before ending work. Notification shall be submitted as instructed in Contact Information section below. Email notification is preferred.
- 4.2 Photographs of Completed Work. Upon completion of the project activities described in this agreement, the work area within the stream zone shall be digitally photographed. Photographs shall be submitted to DFG within one week of completion. Photographs and project commencement notification shall be submitted as instructed in Contact Information section below. Email submittal is preferred. Refer to Notification Number when submitting photographs.

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 9 of 15

CONTACT INFORMATION

Any communication that Permittee or DFG submits to the other shall be in writing and any communication or documentation shall be delivered to the address below by U.S. mail, fax, or email, or to such other address as Permittee or DFG specifies by written notice to the other. Refer to the project's Notification Number when submitting documents to DFG.

To Permittee:

CPN Pipeline Company Mike Rogers 10350 Socrates Mine Road Middletown, CA 95461 Michael.Rogers@calpine.com

Contact Person Sue Bushnell sbushnell@icfi.com

To DFG:

Department of Fish and Game North Central Region 1701 Nimbus Road, Suite A Rancho Cordova, CA 95670

Attn: Lake and Streambed Alteration Program - Sandra Jacks

Notification #1600-2011-0011 R2

Fax: 916-358-2912 sjacks@dfg.ca.gov

LIABILITY

Permittee shall be solely liable for any violations of the Agreement, whether committed by Permittee or any person acting on behalf of Permittee, including its officers, employees, representatives, agents or contractors and subcontractors, to complete the project or any activity related to it that the Agreement authorizes.

This Agreement does not constitute DFG's endorsement of, or require Permittee to proceed with the project. The decision to proceed with the project is Permittee's alone.

SUSPENSION AND REVOCATION

DFG may suspend or revoke in its entirety the Agreement if it determines that Permittee or any person acting on behalf of Permittee, including its officers, employees, representatives, agents, or contractors and subcontractors, is not in compliance with the Agreement.

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 10 of 15

Before DFG suspends or revokes the Agreement, it shall provide Permittee written notice by certified or registered mail that it intends to suspend or revoke. The notice shall state the reason(s) for the proposed suspension or revocation, provide Permittee an opportunity to correct any deficiency before DFG suspends or revokes the Agreement, and include instructions to Permittee, if necessary, including but not limited to a directive to immediately cease the specific activity or activities that caused DFG to issue the notice.

ENFORCEMENT

Nothing in the Agreement precludes DFG from pursuing an enforcement action against Permittee instead of, or in addition to, suspending or revoking the Agreement.

Nothing in the Agreement limits or otherwise affects DFG's enforcement authority or that of its enforcement personnel.

OTHER LEGAL OBLIGATIONS

This Agreement does not relieve Permittee or any person acting on behalf of Permittee, including its officers, employees, representatives, agents, or contractors and subcontractors, from obtaining any other permits or authorizations that might be required under other federal, state, or local laws or regulations before beginning the project or an activity related to it.

This Agreement does not relieve Permittee or any person acting on behalf of Permittee, including its officers, employees, representatives, agents, or contractors and subcontractors, from complying with other applicable statutes in the Fish and Game Code including, but not limited to, FGC sections 2050 et seq. (threatened and endangered species), 3503 (bird nests and eggs), 3503.5 (birds of prey), 5650 (water pollution), 5652 (refuse disposal into water), 5901 (fish passage), 5937 (sufficient water for fish), and 5948 (obstruction of stream).

The Permittee shall notify DFG where conflicts exist between the provisions of this agreement and those imposed by other regulatory agencies. Unless otherwise notified, the Permittee shall comply with the provision that offers the greatest protection to water quality, species of special concern and/or critical habitat.

Nothing in the Agreement authorizes Permittee or any person acting on behalf of Permittee, including its officers, employees, representatives, agents, or contractors and subcontractors, to trespass.

AMENDMENT

DFG may amend the Agreement at any time during its term if DFG determines the amendment is necessary to protect an existing fish or wildlife resource.

Permittee may amend the Agreement at any time during its term, provided the amendment is mutually agreed to in writing by DFG and Permittee. To request an

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 11 of 15

amendment, Permittee shall submit to DFG a completed DFG "Request to Amend Lake or Streambed Alteration" form and include with the completed form payment of the corresponding amendment fee identified in DFG's current fee schedule (see Cal. Code Regs., tit. 14, § 699.5).

TRANSFER AND ASSIGNMENT

This Agreement may not be transferred or assigned to another entity, and any purported transfer or assignment of the Agreement to another entity shall not be valid or effective, unless the transfer or assignment is requested by Permittee in writing, as specified below, and thereafter DFG approves the transfer or assignment in writing.

The transfer or assignment of the Agreement to another entity shall constitute a minor amendment, and therefore to request a transfer or assignment, Permittee shall submit to DFG a completed DFG "Request to Amend Lake or Streambed Alteration" form and include with the completed form payment of the minor amendment fee identified in DFG's current fee schedule (see Cal. Code Regs., tit. 14, § 699.5).

EXTENSIONS

In accordance with FGC section 1605(b), Permittee may request one extension of the Agreement, provided the request is made prior to the expiration of the Agreement's term. To request an extension, Permittee shall submit to DFG a completed DFG "Request to Extend Lake or Streambed Alteration" form and include with the completed form payment of the extension fee identified in DFG's current fee schedule (see Cal. Code Regs., tit. 14, § 699.5). DFG shall process the extension request in accordance with FGC 1605(b) through (e).

If Permittee fails to submit a request to extend the Agreement prior to its expiration, Permittee must submit a new notification and notification fee before beginning or continuing the project the Agreement covers (FGC, § 1605, subd. (f)).

EFFECTIVE DATE

The Agreement becomes effective on the date of DFG's signature, which shall be: 1) after Permittee's signature; 2) after DFG complies with all applicable requirements under the California Environmental Quality Act (CEQA); and 3) after payment of the applicable FGC section 711.4 filing fee listed at http://www.dfg.ca.gov/habcon/cega/cega_changes.html.

TERM

This Agreement shall expire five years from the date signed by DFG, unless it is terminated or extended before then. All provisions in the Agreement shall remain in force throughout its term. Permittee shall remain responsible for implementing any provisions specified herein to protect fish and wildlife resources after the Agreement expires or is terminated, as FGC section 1605(a)(2) requires.

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 12 of 15

EXHIBITS

Exhibit A:

Project Area Map

Exhibit B:

Methods and Locations of Pipe Installation - where it crosses jurisdictional drainages.

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 13 of 15

AUTHORITY

If the person signing the Agreement (signatory) is doing so as a representative of Permittee, the signatory hereby acknowledges that he or she is doing so on Permittee's behalf and represents and warrants that he or she has the authority to legally bind Permittee to the provisions herein.

AUTHORIZATION

This Agreement authorizes only the project described herein. If Permittee begins or completes a project different from the project the Agreement authorizes, Permittee may be subject to civil or criminal prosecution for failing to notify DFG in accordance with FGC section 1602.

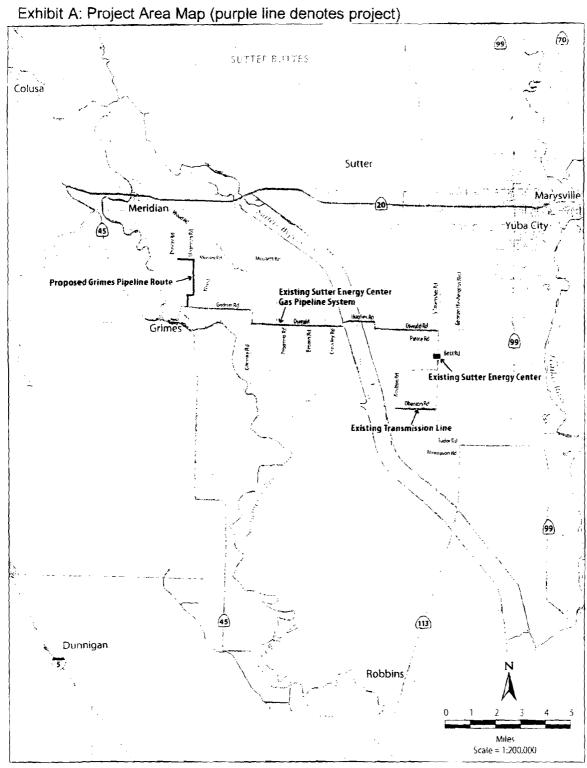
CONCURRENCE

The undersigned accepts and agrees to comply with all provisions contained herein.

FOR CPN PIPELINE COMPANY	
Mike Rogers	Date
FOR DEPARTMENT OF FISH AND GAME	
Kent Smith Regional Manager	Date

Prepared by: Sandra Jacks

Environmental Scientist



ICF

Figure 2
Grimes Pipeline Project Vicinity

Notification #1600-2011-0002-R2 Streambed Alteration Agreement Page 15 of 15

Exhibit B:

Methods and Locations of Pipe Installation - where it crosses jurisdictional drainages.

Project Activity and Location
Bore under OWD-31
Bore under WD-01
Bore under WD-29 & OWD-34
Bore under WD-05
Bore under WD-07
Bore under OWD-37 & OWD-36
Bore under WD-09
Bore under OWD-40 & RD-10
Bore under RD-10
Culvert in RD-10