Northern California Power Agency
Operational Insurance Program
Overview

November 16, 2016
NCPA Generation Fleet

<table>
<thead>
<tr>
<th>Unit</th>
<th>Technology</th>
<th>Nameplate</th>
<th>Completion</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geo Plant 1 Units 1 and 2</td>
<td>Geothermal</td>
<td>55MW Each</td>
<td>1983</td>
<td>Middletown, CA 38.751915, -122.719932</td>
</tr>
<tr>
<td>Geo Plant 2 Unit 4</td>
<td>Geothermal</td>
<td>55MW</td>
<td>1986</td>
<td>Middletown, CA 38.748348, -122.710913</td>
</tr>
<tr>
<td>CT1-Alameda Units 1 and 2</td>
<td>Simple Cycle Gas Turbine</td>
<td>25MW Each</td>
<td>1985</td>
<td>2900 Main St., Alameda, CA 37.788834, -122.289140</td>
</tr>
<tr>
<td>CT2-STiG</td>
<td>Steam-Injected Gas Turbine</td>
<td>50MW</td>
<td>1996</td>
<td>Lodi, CA 38.087977, -121.387031</td>
</tr>
<tr>
<td>CT3-LEC</td>
<td>Fast Start Combined Cycle Gas Turbine</td>
<td>306MW</td>
<td>2012</td>
<td>Lodi, CA 38.087977, -121.387031</td>
</tr>
<tr>
<td>Hydro NSM Units 1, 2, 3</td>
<td>Hydroelectric</td>
<td>2.8MW, 2.8MW, 0.5MW</td>
<td>1989</td>
<td>New Spicer Meadows Reservoir 38.393735, -119.999489</td>
</tr>
<tr>
<td>Hydro CV Units 1 and 2</td>
<td>Hydroelectric</td>
<td>126MW Each</td>
<td>1989</td>
<td>11523 Camp 9 Rd., Murphys, CA 38.144944, -120.380022</td>
</tr>
</tbody>
</table>

Note that Lodi Energy Center is covered under a separate program.
NAMED INSURED: Northern California Power Agency

POLICY PERIOD: December 15, 2016 to December 15, 2017

PROPOSED: "All Risk" of Property Damage including Earth Movement, Flood, Boiler & Machinery

Terrorism: Included

Extra Expense/Replacement Cost Power: Included
PROPERTY POLICY LOSS LIMIT

$150,000,000  Per occurrence

SELECT SUBLIMIT

$45,000,000  Earth Movement per occurrence/annual aggregate

$45,000,000  Flood per occurrence/annual aggregate

$76,559,363  Extra Expense/Replacement Cost Power
Proposed Enhancements - Increase of Sub-limits

- **USD 510,000,000** Contingent Time Element
- **USD 515,000,000** Newly Acquired Locations; 90 day reporting
- **USD 515,000,000** Error and Omissions Error in Description
- **USD 515,000,000** Transit
- **USD 45,000,000** EDP Extra Expense
- **USD 45,000,000** EDP Media and Data Reconstruction Expenses
- **USD 115,000,000** Miscellaneous Unscheduled Locations
- **USD 5002,000,000** Professional Fees
| VALUATION | Property Damage – Replacement Cost  
<table>
<thead>
<tr>
<th></th>
<th>Time Element/Replacement Cost Power—Actual Loss Sustained</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No Coinsurance or Margin Clauses</td>
</tr>
<tr>
<td>PREMIUM</td>
<td>Rate remains flat, increase in premium reflects insurable value increase</td>
</tr>
</tbody>
</table>
| PROPERTY  | $1,180,000  
|           | (0.159 per $100 Total Insured Value of $741,619,733)  |
| TIME ELEMENT | $606,000  
|           | $0.7519 per $100 at annual Exposure of about $76.56 million  
|           | Subject to 60 Day Waiting period |
Underwriters Panel remains same: Pending Claims

- Liberty Mutual: 25%
- AEGIS US: 20%
- Westport Insurance Corporation (Swiss Re Int): 20%
- Lloyd's of London (AEGIS UK 7.5%, Millennium 2.5%): 10%
- ACE American Ins. Co (Starr Tech): 5%
- Great Lakes: 7.5%
- General Security of AZ (SCOR): 7.5%
- Zurich American Ins. Company: 5%

- $500,000 Per Occurrence – All Other Perils except:
- $25,000 Per Occurrence – Administration Buildings / Warehouses
- 60 days Waiting Period – Extra Expense
- 5% per unit of insurance, $500,000 minimum – Earth Movement
- $500,000 Per Occurrence - Flood
Scope of Casualty Insurance

3rd Party Bodily Injury and Property Damage

Insurance coverage includes:

✓ General Liability
✓ Pollution Liability
✓ Automobile Liability
✓ Employer's Liability
✓ Employment Practices Liability

CASUALTY PREMIUMS

**Primary:** $ 35 million

Excess Liability: $45 million

Premium: $569,000

About 2.5% increase over last year’s premium of $554,508;

Half of AEGIS “no loss” accounts increase of 5%
Self Insured Retention $ 200,000

- **Primary Casualty**
  - *Limits of Liability:*
    - $35,000,000 Each Occurrence – Limit of Liability*
    - $70,000,000 General Aggregate
    - Joint Venture – refer to policy*
    - $35,000,000 Aggregate – Products Liability and Completed Operations Liability*
    - $35,000,000 Aggregate – Failure to Supply*
    - $35,000,000 Aggregate – Pollution
    - $35,000,000 Each Occurrence – Medical Malpractice Injury*
    - $35,000,000 Aggregate – Wildfire*

*Subject to $70,000,000 General Aggregate*
Self Insured Retention

AEGIS

1st Excess Carrier
EIM

2nd Excess Carrier
SCOR

3rd Excess Carrier
IRONSHORE

Limits

$35M

$50M

$65M

$80M