



651 Commerce Drive
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Agenda – Legal Committee Meeting

Meeting Date: August 4, 2022 Legal Committee Meeting
Location: Meeting held at NCPA Headquarters and via Teleconference Posted Locations
Time: 8:30 a.m. PT

In compliance with the Brown Act, you may participate in person at the meeting location or via teleconference at one of the locations listed below. In either case, please (1) post the Agenda at a publicly accessible location at the participation location at least 72-hours before the meeting begins, and (2) have a speaker phone available for any member of the public who may wish to attend at your location.

Northern California Power Agency 651 Commerce Drive Roseville, CA 95678	City of Alameda Alameda City Attorney's Office 2263 Santa Clara Avenue, No. 280 Alameda, CA 94501	San Francisco Bay Area Rapid Transit District Office of the General Counsel 2150 Webster Street, 10 th Floor, Room 1009 Oakland, CA 94612
City of Biggs Law Office of Gregory P. Einhorn 854 Manzanita Court, No. 110 Chico, CA 95926	City of Alameda 18217 Carmel Drive Castro Valley, CA 94546	City of Healdsburg Burke Williams & Sorenson 688 Roble Avenue Menlo Park, CA 94025
City of Lodi 221 West Pine Street Lodi, CA 95240	City of Gridley Rich, Fuidge, Bordsen & Galyean 1129 D Street Marysville, CA 95901	Plumas-Sierra Rural Electric Coop Somach, Simmons & Dunn 500 Capitol Mall, Suite 1000 Sacramento, CA 95814
City of Palo Alto Palo Alto City Attorney's Office 250 Hamilton Avenue Palo Alto, CA 94301	City of Lompoc Aleshire & Wynder, LLP 6001 Boeing Place Los Angeles, CA 90045	Port of Oakland Office of General Counsel 530 Water Street Oakland, CA 94607
City of Redding Office of the City Attorney 777 Cypress Avenue Redding, CA 96001	City of Roseville Civic Center-City Attorney's Office 311 Vernon Street Roseville, CA 95678	City of Santa Clara Silicon Valley Power 881 Martin Avenue Santa Clara, CA 95050
Truckee Donner PUD [No teleconference location]	City of Ukiah Rapport and Marston 405 West Perkins Street Ukiah, CA 95482	City of Shasta Lake [No teleconference location]

To participate by phone from posted meeting location: Dial: 1-669-900-6833
 Meeting ID: 869 5483 4196

To participate via Zoom from posted location: <https://us06web.zoom.us/j/86954834196>

Persons requiring accommodations in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916-781-3636 in advance of the meeting to arrange for such accommodations.

The Committee may act on any of the items listed on this Agenda regardless of whether an item is described as an Action item, a Report, or an Informational or Discussion item. This Agenda may be supplemented by Staff Reports which are available to the public upon request. Pursuant to California Government Code Section 54957.5, the following is the location at which the public can view Agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville, California, or www.ncpa.com.

- **Review Safety Procedures – NCPA Headquarters Facility**

- 1. CALL MEETING TO ORDER AND ROLL CALL**

- 2. PUBLIC COMMENT**

Any member of the public who desires to address the NCPA Legal Committee on any item considered by the Legal Committee at this meeting, before or during the Committee's consideration of that item, shall so advise the Chair and shall thereupon be given an opportunity to do so. Any member of the public who desires to address the NCPA Legal Committee on any item within the jurisdiction of the Legal Committee and not listed on the Agenda may do so at this time.

- 3. MEETING MINUTES** – Seeking approval of the minutes of the Legal Committee held on July 7, 2022. (*Action Item*)

CLOSED SESSION

- 4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Government Code Section 54956.9(d)(1) - Existing Litigation, one (1) case:

Case Name: *City of Santa Clara dba Silicon Valley Power and Northern California Power Agency, Petitioners, v. California Department of Water Resources, Respondent*, Sacramento County Superior Court, Case No. 34-2022-00323425.

OPEN SESSION

- 5. REPORT FROM CLOSED SESSION**

- 6. SPECIAL CONDITIONS AGREEMENT FOR GRANT ADMINISTRATION BY AND BETWEEN THE PLUMAS SIERRA RURAL ELECTRIC COOPERATIVE AND NCPA** – Staff will discuss the Defense Community Infrastructure Pilot Program Grant process and NCPA's proposed role in supporting Plumas Sierra's Fort Sage Project. (*Discussion Item*)

- 7. DEVELOPMENT OF THIRD PHASE AGREEMENT AND POWER PURCHASE AGREEMENT** - Staff will discuss long term renewable portfolio standard (RPS) energy, resource adequacy, and RPS attributes transaction for geothermal resources with Calpine. Staff will review the WSPP contract structure including termination and credit provisions. (*Discussion Item*)

8. GENERAL COUNSEL UPDATES - NCPA's General Counsel will update the Committee on miscellaneous business matters of interest.

9. ADJOURNMENT



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Minutes – Legal Committee Meeting

To: NCPA Legal Committee
From: Linda Stone
Subject: July 7, 2022, NCPA Legal Committee Meeting Minutes

1. Call Meeting to Order and Roll Call

The meeting was called to order at 8:36 a.m. by Chair Barry DeWalt. At the time of roll call, the following members were present by telephone:

Alameda Municipal Power-Yibin Shen, BART-Marco Gomez, Biggs-Gregory Einhorn, Lodi-Janice Magdich, Lompoc-Joe Pannone, Palo Alto-Molly Stump, Plumas-Sierra- Michael Vergara, Redding-Barry DeWalt, and Santa Clara-Daniel Ballint. A quorum was present.

Also participating in the meeting were Mazarin Vakharia-Alameda Municipal Power, Mary Wilke-BART, NCPA Legislative and Regulatory Assistant General Manager Jane Cirrincione, NCPA General Counsel Jane Luckhardt, and NCPA administrative support Linda Stone.

2. Public Comment

The Chair read the notification regarding Public Comment and asked if any member of the public would like to address the Committee. There was no public comment.

3. Meeting Minutes

The minutes of the June 2, 2022, regular meeting were presented by staff for review and approval. Joe Pannone (Lompoc) made a motion to approve the minutes as presented; second by Dan Ballin (Santa Clara). There was no discussion. A roll call vote was taken, as follows. The motion passed.

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Vote Summary on Motion	
Participant	Vote
Alameda Municipal Power	Yes
BART	Yes
Biggs	Yes
Gridley	Absent
Healdsburg	Absent
Lodi	Abstain
Lompoc	Yes
Palo Alto	Yes
Plumas-Sierra	Yes
Port of Oakland	Absent
Redding	Yes
Roseville	Absent
Santa Clara	Yes
Shasta Lake	Absent
Truckee Donner PUD	Absent
Ukiah	Absent
Vote Summary	
Total Yes	8
Total Noes	0
Total Abstain	1
Total Absent	7
Result:	Passed

Closed Session

The Committee went into Closed Session at 8:40 a.m.

- Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9(d)(1) – one (1) case.
Case Name: *Northern California Power Agency, City of Redding, City of Roseville, and City of Santa Clara v. the United States, United States Court of Federal Claims No. 14-817-C.*

The meeting reconvened to Open Session at 9:07 a.m.

5. Report from Closed Session

Chair Barry DeWalt advised that no reportable action was taken during Closed Session.

6. Single Member Services Agreement for Special Transactions By and Between the Plumas Sierra Rural Electric Cooperative and NCPA

Jane Luckhardt made the Committee aware of a new single member services agreement in the beginning stages of drafting. NCPA's single member service type agreements are set up for transactions of many types. This agreement is coming out of the Power Management division of

NCPA and its scope of work includes services for Plumas Sierra in support of a Defense Community Infrastructure Pilot Program grant opportunity. Wildfires occurring in recent years have put Plumas-Sierra in a tenuous situation; it seeks to reinforce its electric tie with a new transmission line to NV Energy's system. Jane expects that the agreement will be brought to the Committee in August for review.

7. General Counsel Updates

Jane Luckhardt welcomed Mary Wilke to the Committee for BART. Marco Gomez is retiring at the end of July. She announced that Michael DeBortoli was promoted from Plant Manager for the Combustion Turbine facilities to the Assistant General Manager for Generation Services. Rafael Santana is serving as the CT Interim Manager.

NCPA Annual Conference is scheduled for September 21-23, 2022, in Olympic Valley. During the Legal Committee meeting on September 21, Jane is planning a presentation to delve into what is driving the exploding energy cost. She would like to include one or two members as examples. She asked that members let her know if interested in being a subject.

8. Adjournment

The meeting was adjourned at 9:18 a.m.

**SPECIAL CONDITIONS AGREEMENT
FOR
GRANT ADMINISTRATION
BY AND BETWEEN THE
PLUMAS SIERRA RURAL ELECTRIC COOPERATIVE
AND THE
NORTHERN CALIFORNIA POWER AGENCY**

This Special Conditions Agreement for Grant Services (the “Agreement”) is entered into as of the ___ day of _____, 2022 (“Effective Date”), by and between the Northern California Power Agency (“NCPA”), a California joint powers and public entity having its central office at 651 Commerce Drive, Roseville, California and the Plumas Sierra Rural Electric Cooperative, (“Member”), a rural electric cooperative founded in 1937 and an associate member of NCPA, having its central office at 73233 State Route 70, Portola, California. NCPA and the Member are occasionally herein referred to individually as a “Party” or collectively as the “Parties”. This Agreement is premised on the following.

RECITALS:

WHEREAS, NCPA provides, among other services to its membership: electric generation facility development and power resource pooling services to the majority of its member public entities and an associate nonprofit member, and technical, operational, and maintenance services on behalf of the majority of member and associate member entities, for the operation and maintenance of NCPA electric generating projects in which they are invested, as well as dispatch, scheduling

coordination, trading and risk management services, so that the members of NCPA on the whole, exercising their common powers pursuant to the Joint Exercise of Powers Act, may supply electrical power and energy for their residential, commercial, and industrial customers or own use on a reliable, cost-effective, and environmentally sensitive basis, with the advantages of the economy of scale, which may, under some circumstances, benefit all of NCPA's members; and

WHEREAS, the Member, as an associate member of NCPA, while it looks to NCPA in part for the services described above, it nevertheless wishes to request that NCPA provide special services, in the nature of an advisor or agent, by which the Member may receive an advantage by avoiding the cost of the embedded expertise that it would have to employ in the absence of NCPA, and the risks associated therewith, so that the Member may, at its sole risk, and without hazard to NCPA and its other members, receive benefits, when other NCPA members may not share interests in this Member's particular effort; and

WHEREAS, this Agreement has been drawn to first protect NCPA and its members from any exposure to liability of any kind that might result from any act or omission in the performance of this Agreement, to the fullest extent permitted by law, due to the fact that NCPA will be acting for the Member and not for any other member in its performance of this Agreement and due to the further fact that the benefit of this Agreement to the other members is limited to the extent to which the challenges of this

Agreement develop in NCPA further skill and expertise, but not to any economic or financial benefit for which those members should be liable; and

WHEREAS, the Member desires to utilize the benefits of the investment in, and expertise available through the auspices of NCPA, and NCPA having weighed the consideration herein, and the protection the Member intends to provide NCPA and its other members in this Agreement, wishes to assist the Member; and

WHEREAS, Member believes Member's Fort Sage Transmission Project ("Project") meets the requirements for and has a reasonably good chance of receiving a United States Department of Defense, Defense Community Infrastructure Pilot Program Grant ("DCIP Program Grant") to fund construction of Member's Project;

WHEREAS, only state and local agencies, including multijurisdictional entities like NCPA, can apply for a DCIP Program Grant; and

WHEREAS, the Parties intend for Member to be a sub-recipient of the DCIP Program Grant consistent with its terms and conditions; and

WHEREAS, Member as a not-for-profit, member-owned utility can and will be the Project owner under the terms and conditions of the DCIP Program Grant; and

WHEREAS, to assist Member, NCPA as applicant and the Member as sub-recipient submitted a proposal for funding the Project on July 18, 2022, to the Office of Local Defense Community Cooperation, Department of Defense (OLDCC) for a DCIP Program Grant; and

WHEREAS; should NCPA and Member as a sub-recipient receive a notice of award and grant agreement from OLDCC, the Parties intend to review the notice of award and grant agreement for consistency with this Agreement and the Project; and

WHEREAS, if after review of the notice to award and the grant agreement NCPA and Member agree to accept the DCIP Program Grant, the Parties will enter into the grant agreement to accept the award and commit to the Project; and

WHEREAS, the Parties intend to request OLDCC designate Member as a sub-recipient of the DCIP Program Grant as Member intends to permit, construct, own and operate the Project and take responsibility to comply with all DCIP Program Grant requirements; and

WHEREAS, the Parties agree that NCPA will be tasked only with oversight as the grant applicant and if necessary, management of the DCIP Program Grant funds, and Member shall provide all other services needed to comply with all DCIP Program Grant requirements.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions set forth herein, the Parties have entered into this Agreement.

Article 1 – SCOPE OF SERVICES

Upon mutual agreement, and subject to the General Conditions described below, NCPA will provide to the Member the Service defined and described below.

1.1 General Conditions. NCPA shall not be obligated under this Agreement to provide any Services to the Member, notwithstanding the fact that the Member may have completely and faithfully complied with each and every term, condition, and covenant of this Agreement. NCPA may decline to furnish the Service requested by the Member in the sole and absolute discretion of NCPA, acting by and through its Commission without the vote of the Member, and such discretion of the Commission shall not be subject to review or to the dispute resolution provisions of this Agreement or of other agreements between the Member and NCPA; provided, however, that, notwithstanding the foregoing, should NCPA have agreed in a written Grant Funding Authorization, as provided for in Attachment A hereto, to provide the Service for the Member, provided that the Member is then at the time of the Grant Funding Authorization not in default of, and has completely and faithfully complied with each and every term, condition, and covenant of this Agreement, then NCPA shall provide the Service.

1.2 Agency Services. Agency Services mean services that NCPA may provide in the capacity of the exclusive agent of the Member, as principal, subject to the General Conditions of this Agreement, to act as applicant and provide necessary oversight as required by the DCIP Program Grant including creating an account for, holding, disbursing and providing the supporting accounting for the DCIP Program Grant on

behalf of Member, if Member executes a Grant Funding Authorization in substantially the form contained in Attachment A to this Agreement.

Member shall assume responsibility for all other aspects of the Project and the terms and conditions of the DCIP Program Grant. NCPA and Member shall meet quarterly to review Project status, use of DCIP Program Grant funds, and compliance with DCIP Program terms and conditions. NCPA will recover its costs to provide the Agency Services on an hourly charge or monthly retainer as shown on Attachment A3. NCPA may adjust the monthly retainer and hourly charges as it determines may be required to fully recover its costs, in its sole discretion, during the preparation and adoption of the NCPA Annual Budget.

Article 2 – REQUEST FOR AGENCY SERVICES

2.1 Member Request. After the Effective Date and upon receipt of an executed Grant Funding Authorization, NCPA shall provide the Member with the Agency Services stated above in consideration for Member's agreement to pay NCPA its costs to provide the Agency Services as described in Attachment A2. No obligation as might be imposed by law on NCPA or its other members or upon the Member shall arise unless both Parties execute the Grant Funding Authorization.

2.2 Mutual Agreement on Scope of Agency Services and Costs to Provide those Agency Services. NCPA will provide the Agency Services as described on Attachment A2 upon both Parties' execution of the Grant Funding Authorization.

NCPA will invoice the Member for the monthly retainer and/or hourly costs as reflected in Attachment A2, as may be adjusted from time to time, and include those charges on Member's all resources bill.

2.3 Authentication of Delegation. NCPA is entitled to require an authentication of the delegation of any authority of the governing body of the Member to a General Manager of the Member, by a formal resolution and legal opinion. In addition, NCPA may require, as part of the General Conditions, that the Member or its authorized General Manager delegate authority to NCPA before it undertakes to perform any Agency Services on behalf of the Member, in form and substance acceptable to NCPA, in its sole discretion, as provided in the General Conditions.

Article 3 – DUE DILIGENCE AND RESPONSIBILITY

3.1 Due Diligence. Member assumes all responsibility to complete necessary due diligence on the DCIP Program Grant and its application to Member's Project. NCPA has conducted no due diligence and makes no representations regarding the DCIP Program Grant or its application to Member's Project.

3.2 Member Accepts All Risks Associated with the DCIP Program Grant. NCPA takes no responsibility for and makes no representation regarding the efficacy of the DCIP Program Grant for Member's Project, the conditions and requirements associated with the DCIP Program Grant and the use of any funds provided through the DCIP Program Grant for the Project. NCPA has not evaluated any risks associated

with accepting the DCIP Program Grant. Member accepts all risks, responsibilities and requirements placed upon NCPA or Member and shall in all situations be wholly responsible for the DCIP Program Grant regardless of whether any tasks are performed by NCPA or by Member.

Article 4 – REPRESENTATIONS AND WARRANTIES

4.1 **Initial Representations and Warranties.** On the Effective Date, the Member represents and warrants to NCPA that:

- (i) it is duly organized, validly existing and in good standing under the laws of California and of the United States;
- (ii) it has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement including but not limited to receipt of the funds from the DCIP Program Grant for the Project;
- (iii) the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
- (iv) this Agreement, , and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding

obligation enforceable against it in accordance with its terms; subject to any Equitable Defenses.

- (v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;
- (vi) there is not pending or, to its knowledge, threatened against it or any legal proceedings or investigations that could materially adversely affect its ability to perform its obligations under this Agreement and each Transaction (including any Confirmation accepted in accordance with this Agreement);
- (vii) no Event of Default or Potential Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;
- (viii) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of NCPA in providing Agency Services, and the Member is capable of assessing the merits of and

understanding, and understands and accepts, the terms, conditions and risks of this Agreement; and

- (ix) it has entered into this Agreement in connection with the conduct of its enterprise.

4.2 Further Representations and Warranties. On the Effective Date, the Member further represents and warrants to NCPA that: (i) all acts necessary to the valid execution, delivery and performance of this Agreement, including without limitation, competitive bidding, public notice, election, referendum, prior appropriation or other required procedures has or will be taken and performed as required under the laws of the State of California and the charter, ordinances, bylaws or other regulations, (ii) all persons making up the governing body of the Member are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with the state and local, and other applicable law, (iii) entry into and performance of this Agreement are for a proper public purpose within the meaning of all relevant constitutional, organic or other governing documents and applicable law, (iv) the term of this Agreement does not extend beyond any applicable limitation imposed by the relevant constitutional, organic or other governing documents and applicable law, (v) the Member's obligations to make payments hereunder are unsubordinated obligations and such payments are (a) operating and maintenance costs (or similar designation) which enjoy first priority of payment at all times under any and

all bond ordinances or indentures or agreements to which it is a party, and all other relevant constitutional, organic or other governing documents and applicable law; (b) not subject to any prior claim under any and all bond ordinances or indentures or agreements to which it is a party, and all other relevant constitutional, organic or other governing documents and applicable law and are available without limitation or deduction to satisfy all of the Member's obligations hereunder (vi) entry into and performance of this Agreement by the Member will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any obligation of the Member or NCPA otherwise entitled to such exclusion, and (vii) obligations to make payments hereunder do not constitute any kind of indebtedness of the Member or create any kind of lien on, or security interest in, any property or revenues of the Member which, in either case, is proscribed by any provision of any relevant constitutional, organic or other governing documents and applicable law, any order or judgment of any court or other agency of government applicable to it or its assets, or any contractual restriction binding on or affecting it or any of its assets.

4.3 Primacy of NCPA Projects. Notwithstanding the availability of NCPA personnel and equipment the Member acknowledges and agrees that the first priority for NCPA personnel are the other NCPA projects in which more than one member participates, and that the Agency Services NCPA provides under this Agreement are subordinate to NCPA's duties to serve the other members.

Article 5 – GOVERNING BODY APPROVAL

This Agreement and the DCIP Program Grant shall be entered into only upon approval by the Member's governing body by resolution or by Member's General Manager with written delegated authority, in conjunction with the executed Grant Funding Authorization.

Article 6 – GRANT FUNDING ACCOUNT

As stated above in the Recitals, Member applied for and received notification of award of a DCIP Program Grant. NCPA's only Agency Services under this Agreement are to create an account for, hold, disburse and provide the supporting accounting for the DCIP Program Grant. Member shall assume responsibility for all other aspects of the Project and the DCIP Program Grant.

6.1 Grant Account. The Grant Account is an account established at NCPA pursuant to this Agreement. The Grant Account is established to: (i) receive DCIP Program Grant funds ("DCIP Grant Funds") held by NCPA under this Agreement for the purposes of supporting funding of Member's Project, (ii) hold the DCIP Grant Funds pursuant to any DCIP Program Grant award requirements prior to disbursing those funds to Member, (iii) disburse those funds to Member upon receipt of a signed Grant Disbursement Authorization and Confirmation (form included in Attachment A1), and (iv) return any unused DCIP Grant Funds to the DCIP Program.

6.2 Initial Amount. After the effective date of this Agreement and upon receipt of a fully executed DCIP Grant Funding Authorization in substantially the form contained in Attachment A, NCPA shall create a new account to serve as the Grant Account. NCPA will deposit all of the DCIP Grant Funds into the Grant Account and no other funds shall be mixed with the DCIP Grant Funds in the Grant Account. NCPA shall maintain a detailed accounting of the Grant Account. Interest earned on the Grant Account shall be credited to the Member and subject to any restricted uses specified by the DCIP Program. Any losses in the Grant Account, due for example to the compulsory sale of investments to comply with Member's needs for funds to support the Project, shall be allocated to and reimbursed by Member.

6.3 Periodic Reviews. Upon receipt of the DCIP Grant Funds and at least quarterly thereafter, NCPA shall review the balances in the Grant Account and provide a summary to Member. Member shall submit and respond to all DCIP Program reporting and auditing requirements, but NCPA shall prepare summaries or Grant Account information for Member to use in responding to all DCIP Program reporting and auditing requirements.

6.4 DCIP Program Audits. In the event the DCIP Program requests to audit the Grant Account, NCPA will work with Member and cooperate with the DCIP Program auditors. NCPA shall charge Member for all costs in complying with the audit.

6.5 Grant Funds Disbursement to Member. Upon receipt of a Grant Disbursement Authorization and Confirmation in substantially the form contained in Attachment A1, NCPA shall disburse funds to Member. Member shall only use DCIP Grant Funds for Project expenses authorized by the DCIP Program. Member shall take full responsibility for complying with all requirements of the DCIP Program and the DCIP Grant Funds including but not limited to disbursement and use of DCIP Grant Funds and rectifying any misuse of DCIP Grant Funds..

6.6 Return of Funds. On the termination of this Agreement and upon completion of a Grant Account reconciliation with Member, NCPA shall return any unused funds to the DCIP Program.

6.7 Documentation of Grant Fund Uses. Member shall maintain all records necessary to demonstrate that all DCIP Grant Funds are used by Member to fund authorized DCIP Program expenses for the Project. Any questions or concerns by the DCIP Program or anyone else about the use of DCIP Grant Funds shall be addressed and resolved by Member. All interim and final reports required by the DCIP Program shall be completed by and be the responsibility of Member.

Article 7 – PAYMENTS AND DEFAULTS

7.1 Billing and Payment. Monthly billing statements prepared by NCPA shall be sent to the Member showing the Member's unpaid balance for Agency Services and other expenses relating to this Agreement NCPA may provide this information on

monthly billing statements prepared by NCPA pursuant to other Project Agreements with the Member and commonly referred to as the all resources bill. NCPA will provide the monthly billing statements electronically if requested by the Member; otherwise NCPA shall mail the statements by U.S. Postal Service, first class postage pre-paid.

7.1.1 Disputed Monthly Billing Statement. In case any portion of any billing statement received by Member from NCPA shall be in bona fide dispute, Member shall pay NCPA the full amount of such billing statement and, upon determination of the correct amount, the difference between such correct amount and such full amount, if any, shall be credited to Member by NCPA.

7.2 Application of Operating Account. NCPA may apply the Member's Operating Account to the payment of any portion of the monthly billing statement. If Member does not timely pay the billing statement, Application of such funds shall not relieve the Member for any late payment charges.

7.3 Late Payments. Amounts shown on each billing statement are due and payable at the time noted on the invoice, but not later than thirty (30) days after the date of the invoice, except that any amount due on a Friday, holiday or weekend may be paid on the following working day. Any amount due and not paid by the Member shall

bear interest at the per annum prime rate (or reference rate) of the Bank of America NT & SA then in effect, plus two percent per annum computed on a daily basis until paid.

7.4 Audit Rights. The Member shall have the right to audit at its expense any data created or maintained by NCPA pursuant to this Agreement on thirty (30) days written notice, unless otherwise agreed by the Member and NCPA.

7.5 Failure to Pay. If the Member fails to pay any amount due to NCPA within thirty (30) days of the date of receipt of an invoice enumerating such amounts, the Member is in default and material breach under this Agreement.

7.6 Other Material Breaches. If the Member is in default or in breach of any of the Covenants or the terms, requirements or conditions of the DCIP Program Grant, it shall be in default of this Agreement. In addition, if the Member is in default or in breach of any of its covenants under any other agreement with NCPA, it shall also be considered in material default of this Agreement.

7.7 Cure Period. Upon written notice by NCPA, the Member shall cure any default within five (5) working days.

7.8 Cure of Defaults. A default shall be cured by the payment of any monies due NCPA, including any late payment charges, and repayment of any funds drawn from the Operating Account. A default under any other agreement with NCPA shall be cured by compliance with the covenant.

7.9 Remedies in the Event of a Material Default. NCPA may suspend the provision of any Agency Services or to the Member with a default which has not been cured within the Cure Period, including, demanding further assurances, and taking any other legal or equitable action before or after the Cure Period to compel the correction of the default, as for example, to mandate the collection of a surcharge to produce Revenues to secure the cure of the default, (and the selection of one remedy shall not preclude the use of other remedies), on behalf of NCPA and other Members (in which event the defaulting Member shall not have the right to vote while such defaulting Member is in material default as determined by the NCPA Commission).

7.10 Obligations in the Event of Default. In the event the Member's share of the Operating Account is insufficient to cover the costs of the Agency Services or any refund required by the DCIP Program Grant, (i) the defaulting Member shall cooperate in good faith with NCPA and shall cure the default as rapidly as possible, on an emergency basis, taking all such action as is necessary, including, but not limited to, drawing on its cash-on-hand and lines of credit, obtaining further assurances by way of credit support and letters of credit, and taking all such other action as will cure the default quickly; and provided, however, (ii) that neither NCPA nor any other member shall be liable under this Agreement for the obligations of the defaulting Member, and the Member shall be solely responsible and liable for performance of its obligations under this Agreement, the Agency Services and the DCIP Program Grant.

Article 8 – TERM OF THIS AGREEMENT

8.1 Term of This Agreement. The term of this Agreement will be from the Effective Date to the date the Project is complete or the DCIP Grant Funds are exhausted, all reports and filings are complete and the DCIP Program Grant sponsor, currently the Office of Local Defense Community Cooperation (OLDCC), closes out the DCIP Program Grant, whichever is later.

Article 9 – NO IMMUNITY CLAIM

9.1 No Immunity Claim. The Member warrants and covenants that with respect to its contractual obligations hereunder and performance thereof, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (i) suit, (ii) jurisdiction of a court (including a court located outside the jurisdiction of its organization), (iii) relief by way of injunction, order for specific performance or recovery of property, (iv) attachment of assets, or (v) execution or enforcement of any judgment.

Article 10 – MEMBER COVENANTS

The definitions in this Article 10 apply to the covenants in section 10.3 and elsewhere in this Agreement.

10.1 Electric system. Electric System means, with respect to the Member, all properties and assets, real and personal, tangible and intangible, of the Member now or hereafter existing, used or pertaining to the generation, transmission, transformation,

distribution and sale of electric capacity and energy, including all additions, extensions, expansions, improvements and betterments thereto and equipment thereof; provided, however, that to the extent the Member is not the sole owner of an asset or property or to the extent that an asset or property is used in part for the above described purposes, only the Member's ownership interest in such asset or property or only the part of the asset or property used for electric purposes shall be considered to be part of its Electric System.

10.2 Revenues. Revenues means, with respect to the Member, all income, rents, rates, fees, charges, and other moneys derived by the Member from the ownership or operation of its Electric System, including, without limiting the generality of the foregoing, (i) all income, rents, rates, fees, charges or other moneys derived from the sale, furnishing and supplying of electric capacity and energy and other services, facilities, and commodities sold, furnished, or supplied through the facilities of its Electric System, (ii) the earnings on and income derived from the investment of such income, rents, rates, fees, charges or other moneys to the extent that the use of such earnings and income is limited by or pursuant to law to its Electric System, and (iii) the proceeds derived by the Member directly or indirectly from the sale, lease or other disposition of all or a part of the Electric System, but the term Revenues shall not include (a) customers' deposits or any other deposits subject to refund until such

deposits have become the property of the Member or (b) contributions from customers for the payment of costs of construction of facilities to serve them.

10.3 Member Covenants. The Member covenants and agrees to (i) establish and collect rates and charges for the services and commodities provided by its Electric System sufficient to provide Revenues adequate to meet its obligations under this Agreement and the DCIP Program Grant, and to pay all other amounts payable from, and all lawful charges against or liens upon, the Revenues; (ii) make payments under this Agreement from the Revenues of, and as an operating expense of, its Electric System; (iii) make payments under this Agreement whether or not there is an interruption in, interference with, or reduction or suspension of services provided under this Agreement and any transaction (such payments are not subject to any reduction, whether by offset or otherwise, and regardless of whether any dispute exists); and (iv) operate its Electric System and the business in connection therewith in an efficient manner and at reasonable cost and to maintain its Electric System in good repair, working order, and condition.

10.4 Project Covenants. The Member covenants and agrees to take all necessary actions and complete responsibility for the Project and the DCIP Program Grant. This Member Covenant includes but is not limited to the following specific DCIP Program Grant requirements: (i) obtain all governmental approvals, permits, licenses, rights-of-way, leases, property acquisitions, interconnection agreements and any other

authorizations or land interests necessary to lawfully construct, maintain, own and operate the Project; (ii) conduct the appropriate level of environmental review and analysis to support an OLDCC final National Environmental Policy Act determination as required by the DCIP Program Grant; (iii) begin Project construction within one year and complete construction resulting in complete and usable facilities within five years of award consistent with the requirements of the DCIP Program Grant; (iv) secure and pay all costs associated with surety bonds including those for cost overruns and project completion to support and meet the requirements of the DCIP Program Grant; (v) diligently pursue construction of the Project to avoid Project cost overruns; and (vi) comply with applicable Federal procurement and contracting processes.

Article 11 – DELEGATION OF MEMBER AUTHORITY

11.1. Delegation to Member Agent. The Member hereby designates as its authorized agent, the Member General Manager, to whom by resolution the Member has delegated its authority to execute on its behalf forms of contracts pursuant to this Agreement for use in Transactions (including but not limited to the Grant Funding Authorization and Grand Disbursement Authorization and Confirmation) subject to the Contract Damages Risk Limitations adopted by the Member's governing body pursuant to section 5.6 or for grants, applicable guidelines adopted by Member's governing body.

11.2. Delegation to NCPA. The Member by resolution or Member's General Manager with written delegated authority will delegate to NCPA all of the Member's

governing body's authority to perform the Agency Services and execute, receive and hold DCIP Grant Funds on behalf of Member for Member's Project. Such delegation shall not be revoked by Member or Member's General Manager during the term of this Agreement.

Article 12 – AGENCY SERVICES LITIGATION

12.1 Agency Services Litigation. In the event of bankruptcy or insolvency of Member or litigation, dispute resolution, governmental inquiry, including investigations or legislative inquiries, relating to any matter involving this Agreement, the Agency Services or the DCIP Program Grant, NCPA may select Counsel of its choice to advise and represent NCPA and the Member, and the Member shall pay NCPA for such expenses, as billed pursuant to this Agreement. Provided, however, that NCPA will not initiate litigation against third persons related to or arising out of this Agreement without Member's concurrence.

Article 13 PROJECT CONSTRUCTION, DCIP PROGRAM GRANT CONSTRUCTION FUNDING AND NCPA OVERSIGHT

To the extent allowed by the DCIP Program Grant, NCPA will act as a pass-through entity and Member will act as a sub-recipient as those terms are defined in Title 2 Code of Federal Regulations § 200.1. The following sections describe some of the discreet actions Member will take to fulfil its responsibilities as a sub-recipient.

13.1 Project Construction. Member will secure and take full responsibility for all of the following aspects of Project construction:

- Environmental permitting and compliance including satisfying National Environmental Policy Act requirements for the grant award and any required state and local environmental requirements;
- Engineering for project design and layout including a third-party independent cost estimate;
- Purchasing equipment consistent with any DCIP Program Grant federal purchasing requirements;
- Contracting for construction services not provided by Member's crews consistent with DCIP Program Grant federal contracting requirements;
- Project management through Member's staff or a contractor secured consistent with any DCIP Program Grant requirements;
- Project testing, inspection and operation/completion through deploying Member's staff and outside contractors, and coordination and satisfaction of all requirements of NV Energy for interconnection and commercial operation of the Project; and
- Diligently pursuing Project completion by beginning construction within a year of grant award and completing the Project within five years of grant award.

13.2 Project Ownership. At all times Member will own the Project.

13.3 Project Financing. Member will secure all needed working capital in order to permit, design, procure, construct and bring the Project to commercial operation. Member will submit required documentation to apply DCIP Project Grant funds to the Project construction costs allowed to be funded by the DCIP Program Grant. Member will provide DCIP Program Grant interim and final close out reports to NCPA when they are provided to OLDCC.

13.4 Quarterly Meetings. Member and NCPA will meet quarterly to discuss Project status, DCIP Program Grant funding, and DCIP Program Grant compliance and reporting.

Article 14 - INDEMNIFICATION, DEFENSE, AND RELEASE

14.1 Indemnity Obligation of Member. The Member hereby assumes all responsibility and liability for the Agency Services provided under the Agreement (except for embezzlement or theft by NCPA personnel of DCIP Grant Funds received by NCPA and/or transferred to the Grant Account) as if they were performed by the Member's employees and accordingly intends to protect NCPA, its member entities, governing officials, officers, agents, and employees against claims or losses of any kind whatsoever resulting from Agency Services provided pursuant to this Agreement. The Member is willing to take on such complete responsibility as an inducement to NCPA to enter into this Agreement. NCPA will not enter into this Agreement absent such inducement for NCPA's sole source of revenue comes from its members, which cannot be exposed to the risks of loss or damage due to Agency Services provided pursuant to this Agreement. Thus, except as provided above, the Member (the "Indemnifying Party") agrees to indemnify, defend and hold harmless NCPA and its members, including their respective governing officials, officers, agents, and employees ("Indemnified Party or Parties"), from and against any and all claims, administrative actions, suits, losses, damages, expenses and liability of any kind or nature, including, without limitation,

reasonable attorneys' fees ("Claim" or collectively "Claims") including but not limited to those caused by any breach of contract, negligence, active or passive, or gross negligence of the Indemnifying Party, its officers, employees, subcontractors or agents, to the maximum extent permitted by law, but only as to Claims related to this Agreement.

14.2 Notice and Defense. Promptly after receipt by an Indemnified Party of any Claim or notice of a Claim or the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in section 14.1 may apply, the Indemnified Party shall notify the Indemnifying Party of such fact. The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by the Indemnifying Party and satisfactory to the Indemnified Party; provided, however, that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party, and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it and/or other Indemnified Parties which are different from or additional to those available to the Indemnifying Party, the Indemnified Party or Parties shall, at the expense of the Indemnifying Party, have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such Indemnified Party or Parties.

14.3 Failure to Assume Defense. Should any of the Indemnified Parties be entitled to indemnification under section 14.1 as a result of a Claim by a third Party, and

should the Indemnifying Party fail to assume the defense of such Claim after reviewing notification thereof as provided in section 14.2, then such Indemnified Party may, at the expense of the Indemnifying Party, contest or settle such Claim. To the extent that any of the Indemnified Parties is required to initiate and prevails in legal proceedings against the Indemnifying Party to enforce rights under this Article, the Indemnifying Party shall pay all costs and attorneys' fees incurred by the Indemnified Party in enforcing its rights. In addition to the foregoing, a failure to assume defense as provided may be deemed by NCPA a material breach of this Agreement.

14.4 Release and Covenant Not to Sue. Except for claims identified in Section 14.1 above, the Member hereby forever releases and discharges NCPA, its members, governing officials, officers, agents, employees, and subcontractors (Released Parties) from any and all liabilities, claims, demands or causes of action that the Member may hereafter have for injuries, damages, or losses of any kind whatsoever arising out of the Agency Services or this Agreement performed or not performed, or inadequately performed by NCPA, including, but not limited to, losses caused by the passive or active negligence of the Released Parties or hidden, latent, or obvious defects in equipment or materials used.

Except for claims identified in Section 14.1 above, the Member hereby forever covenants not to sue the Released Parties for any injuries, damages, or losses, or liabilities,

claims, demands or causes of action related thereto, to which the foregoing release applies.

Article 15 - GENERAL PROVISIONS

15.1 Independent Contractor. NCPA shall be an independent contractor with respect to the Agency Services to be performed hereunder. Neither NCPA nor its subcontractors, nor their agents or employees, shall be deemed to be the servants, employees, or agents of the Member, notwithstanding Article 14.

15.2 Occupational Safety and Health Act. The Member shall design, equip, and maintain and operate in accordance with all applicable rules, regulations, orders, standards and interpretations promulgated under the Occupational Safety and Health Act (1970) (OSHA), as amended and in effect as of the day of execution of this Agreement or such similar act as adopted by the State of California, if applicable.

15.3 Proprietary Information. To the extent permitted by law, in particular the California Public Records Act, the Parties shall maintain the confidentiality of proprietary information.

15.4 Patents. The Member shall defend, indemnify and hold harmless NCPA from any suit or action brought against NCPA based on a claim that any item, materials or equipment procured pursuant to this Agreement, or any part thereof, furnished or specified by NCPA or the Member hereunder or any use thereof for purposes of this Agreement, constitutes an infringement of any claim of patent.

15.5 Binding Effect: Successors and Assigns.

15.5.1 This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assignees.

15.5.2 Neither Party hereto shall assign or convey any of its rights, titles or interests under this Agreement without the prior written consent of the other Party hereto.

15.6 Not for Benefit of Third Parties. This Agreement and each and every provision thereof is for the exclusive benefit of the Parties hereto and not for the benefit of any other party except that the other member entities are intended to benefit from the protections provided them in this Agreement in Article 14.

15.7 Choice of Law. This Agreement is made and is to be performed in California and any dispute arising therefrom shall be governed and interpreted in accordance with California laws.

15.8 Article Headings and Subheadings. All article headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

15.9 No Waiver. No waiver by a Party of any breach or default by the other Party of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach of default in the performance by such other Party of the same or any other obligations of such other Party hereunder. The giving of a waiver by

a Party in any one instance shall not limit or waive the necessity to obtain such Party's waiver in any future instance. No waiver of any rights under this Agreement shall be binding unless it is in writing signed by the Party waiving such rights.

15.10 Good Faith and Fair Dealing. The Parties agree to deal fairly and to act in good faith in the performance or enforcement of this Agreement. Wherever this Agreement requires a consent or approval of a Party hereto, such consent or approval shall not be unreasonably withheld or delayed except as otherwise specifically provided herein.

15.11 Severability. In the event that any of the provisions of this Agreement, or portions or applications thereof, are held to be unenforceable or invalid by any court of competent jurisdiction, the Member and NCPA shall negotiate an equitable adjustment in the provisions of this Agreement with a view toward effecting the purposes of this Agreement, and the validity and enforceability of the remaining provisions, or portions or applications thereof, shall not be affected thereby.

15.12 Legal Capacity. Each Party represents and warrants that it has the legal capacity to enter into this Agreement and to perform all obligations undertaken herein.

15.13 No Counterparts. This Agreement and any amendments will not be executed in counterparts but in one or more duplicate originals which shall constitute but one and the same instrument.

15.14 Further Assurances. If either Party reasonably determines that any further instruments, representation of assurance of payment, or performance, or any other things are necessary or desirable to carry out the terms of this Agreement, the other Party will execute and deliver all such instruments and assurances and do all such things as the first Party reasonably deems necessary or desirable to carry out the terms of this Agreement.

15.15 Status of Parties and Regulatory Compliance. The Parties acknowledge that this Agreement is formed between a rural electric cooperative and a public agency. Neither Party shall have any claim against the members, governing officials, officers, employees or agents of either Party.

The Member is subject to the regulatory compliance requirements of several agencies including but not limited to the DCIP Program Grant and OLDCC. The Member shall be solely responsible for, and shall reimburse NCPA for any costs of compliance with any reporting requirements, documentation, permits or conditions, including any fines or penalties, to the maximum extent permitted by law.

15.16 NCPA's Organization. The Member is responsible for assuring for itself that NCPA's personnel are appropriately trained, educated, and skilled to competently perform the Agency Services. The Member acknowledges and agrees that NCPA makes no warranties or representations regarding the qualifications of its employees, agents, and subcontractors.

15.17 Acknowledgments and Interpretation. The Parties acknowledge and agree that the terms and conditions of this Agreement have been freely and fairly negotiated. The Parties acknowledge that in executing this Agreement they rely solely on their own judgment, belief, and knowledge, and such advice as they may have received from their own counsel, and they have not been influenced by any representation or statements made by any other Party or its counsel. No provision in this Agreement is to be interpreted for or against any Party because that Party or its counsel drafted such provisions.

15.18 Default Termination. Upon the occurrence of a material default, the non-breaching Party shall notify in writing the breaching Party of its intent to terminate this Agreement if the breach is not cured within thirty (30) days. If the breaching Party does not cure the event of default within such thirty (30) day period, the non-breaching Party may immediately terminate this Agreement for Default. Written notice of termination shall be delivered to the breaching Party at the address shown on page one (1) of this Agreement or as changed. Either party may provide a new address for such notice at any time by providing written notice to the other party.

15.19 Default Termination Remedies. In the event of a default termination for material breach or abandonment by Member, NCPA may by appropriate court action or actions, either at law or in equity, preserve its position to recover damages and expenses associated with the breach; and/or pursue, concurrently or separately, other

remedies available in law, in equity or in bankruptcy in anticipation of pursuing its remedies pursuant to Article 16 of this Agreement.

15.20 Survival. The terms of this Agreement shall survive any termination or cancellation hereof to the extent necessary to allow a Party to enforce any remedy granted hereunder in connection with such termination or cancellation. The terms of Article 14 of this Agreement, entitled "Indemnification, Defense, and Release" shall survive any termination or cancellation, in perpetuity as to the Release, and otherwise for ten (10) years and one day after the effective date of termination or cancellation.

Article 16 - DISPUTE RESOLUTION

16.1 Negotiations. The Parties will attempt in good faith to resolve through negotiation any dispute, arising out of or relating to this Agreement. Either Party may initiate negotiations by providing written notice in letter form to the other Party, setting forth the subject of the dispute and the relief requested. The recipient of such notice will respond in writing within five (5) days with a detailed statement of its position on, and recommended solution to, the dispute. If the dispute is not resolved by this exchange of correspondence, then representatives of each Party with full settlement authority will meet at a mutually agreeable time and place within ten (10) days of the date of the initial notice in order to exchange relevant information and perspectives, and to attempt to resolve the dispute. If the Parties are unable to resolve the dispute at the meeting by negotiations, they shall consider mediation.

During any dispute and negotiations, the Member shall continue to timely pay NCPA for Agency Services rendered, even though such dispute may concern those Agency Services. NCPA agrees to continue performing the Agency Services, provided that no payment due from the Member is overdue.

16.2 Mediation. The Parties agree that any and all disputes arising out of or relating to this Agreement that are not resolved by their mutual agreement after negotiations pursuant to section 16.1, should be submitted to mediation before JAMS, or its successor or similar alternative dispute resolution (ADR) organization of respected, retired judges, or to a private judge, as the Member may determine, in its reasonable discretion, and with the written consent of NCPA, provided that the Member will be responsible for all of the expenses of mediation. Either Party may commence the mediation process called for in this Agreement by filing a written request for mediation with JAMS, its successor, or another ADR organization or private judge with a copy to the other Party. The Parties agree that they will participate in the mediation in good faith when and if the Member determines to invoke mediation as a dispute resolution remedy, at its expense.

16.3 Waiver of Certain Judicial Rights. Except for claims identified in Section 14.1 above, if the Parties fail to either negotiate or mediate a mutually satisfactory resolution of any dispute, then upon written notice given twenty (20) days in advance, either Party may terminate this Agreement, subject to any unpaid or unreimbursed

compensation or costs payable by the Member to NCPA, and without affecting the survival of Article 14, entitled "Indemnification, Defense, and Release" for its full term, notwithstanding any default hereunder by NCPA. The Parties agree not to, and covenant not to sue, and waive their respective rights thereto.

Article 17 – LIMITATION OF LIABILITY

17.1 Limitation of Liability. Except for claims identified in Section 14.1 above, to the extent the law allows, NCPA, its members, governing officials, officers, employees, and agents shall have no liability to the Member under this Agreement with respect to all claims however caused, arising out of the performance or non-performance of the Agency Services and obligations under this Agreement, whether based in contract, warranty, tort (including negligence), strict liability, or otherwise, including without limitation, liability for consequential damages pursuant to Article 18. NCPA shall not be required to carry any insurance, and even if insurance is carried by NCPA, such insurance shall not be available to the Member for any claim, death, damages, injuries, losses of any kind whatsoever, unless, and solely to the extent, that the Member procures such insurance of its own accounts, and pays, and is solely responsible for any and all premiums and costs related to such coverage. If notwithstanding the foregoing limitations of this Section 17.1, liability is imposed, then such total liability shall be limited to the net present value of the expertise NCPA gained through this Agreement that is of value to its other members.

Article 18 – CONSEQUENTIAL DAMAGES

18.1 Consequential Damages. Except for claims identified in Section 14.1 above, NCPA, its members, governing officials, officers, employees, and agents (excluding counterparties) shall not be liable to the Member, for incidental, indirect, punitive, exemplary, special or consequential loss or damage arising out of or relating to this Agreement, including, but not limited to, loss of use, customer claims and damages, loss of revenue, loss of power sales, loss of electric system reliability, outages and cascading disturbances, principal office expenses, delay, loss by reason of plant shutdown or inability to operate, increased cost of operating and maintaining the Project, debt service, rental payments or contractual damages incurred by the Member or to others. The Member is and will remain through the survival provisions of Article 15 of this Agreement, solely responsible for such risks, losses, damages and costs, however described; including consequential damages that may be suffered by NCPA, its members, governing officials, officers, employees, and agents (excluding counterparties) arising from this Agreement.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement on the Effective Date, having acknowledged and accepted the terms, conditions, promises, and covenants of this Agreement, as evidenced by the following signatures of the representatives of the Parties, who are represented and warranted to be fully and lawfully authorized, by all necessary official action, to execute and deliver this Agreement.

MEMBER:

NCPA:

PLUMAS SIERRA RURAL ELECTRIC
COOPERATIVE

NORTHERN CALIFORNIA POWER
AGENCY

By: _____

By: _____

Name: _____

Name: Randy S. Howard

Title: _____

Title: General Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____

It's Attorney

By: _____

Jane E. Luckhardt

General Counsel

ATTEST:

By: _____

Clerk

By: _____

Authorized Signature for NCPA

**ATTACHMENT A
MEMBER REQUEST
GRANT FUNDING AUTHORIZATION**

The Plumas Sierra Rural Electric Cooperative (Member), hereby requests the Northern California Power Agency (NCPA) execute any necessary agreements with the United States Department of Defense, Defense Community Infrastructure Pilot Program (“DCIP Program”) to receive and hold funds on Member’s behalf for funding as authorized by the DCIP Program and the DCIP Program Grant, Member’s Fort Sage Transmission Project (the “Project”). Such execution, receipt and holding of the DCIP Grant Funds shall be made in accordance with the terms of the Special Conditions Agreement for Grant Administration by and between Member and NCPA, and this Grant Funding Authorization, each as may be amended from time to time. Member acknowledges that NCPA will execute, receive and hold the DCIP Program Grant Funds, pursuant to the terms of the DCIP Program and the DCIP Program Grant as directed by Member’s General Manager, or his or her designee, each of whom by the approval as to legal form below by Member’s attorney is warranted to possess the necessary authority to approve such actions by NCPA on behalf of Member.

Member requests NCPA execute, receive and hold DCIP Program Grant Funds from Grant # _____ in a Grant Account to support Member’s Fort Sage Transmission Project.

Authorized Signature for Member
General Manager

Date

Approved as to Legal Form
Attorney for Member

Date

Authorized Signature for NCPA

Date

**ATTACHMENT A1
MEMBER REQUEST
GRANT DISBURSEMENT AUTHORIZATION AND CONFIRMATION**

The Plumas Sierra Rural Electric Cooperative (Member), hereby confirms its request to receive the funds described below from the Northern California Power Agency (NCPA)'s Grant Account funded by the Defense Community Infrastructure Pilot Program ("DCIP Program") for Member's Fort Sage Transmission Project ("Project"). Such disbursement shall be made in accordance with the terms of the Special Conditions Agreement for Grant Administration by and between Member and NCPA, and this Grant Disbursement Authorization and Confirmation, each as may be amended from time to time. Member acknowledges that NCPA will provide the funds to Member as described below, pursuant to the Member's representation in this Grant Disbursement Authorization and Confirmation that the DCIP Program Grant Funds will be used only for expenses authorized by the terms of Member's DCIP Program Grant and the DCIP Program as directed by Member's General Manager, or his designee, each of whom by the approval as to legal form below by Member's attorney is warranted to possess the necessary authority to request such fund transfer on behalf of Member.

Member requests NCPA to disburse to Member the total funds described below and listed in any attachment(s) hereto:

Authorized Signature for Member
General Manager

Date

Approved as to Legal Form
Attorney for Member

Date

Authorized Signature for NCPA

Date

**ATTACHMENT A2
MEMBER REQUEST**

**SCOPE OF AGENCY SERVICES AND
NCPA MONTHLY AND HOURLY FEES**

Scope of Agency Services. As described in section 1.6 and Article 6 NCPA's only responsibility is to provide Agency Services that include acting as the grant applicant, creating an account for grant funds, holding, disbursing and providing the supporting accounting for the DCIP Program Grant and any required oversight. Member shall assume responsibility for all other aspects of the Project and the DCIP Program Grant. NCPA and Member will work with OLDCC to specify Member as a sub-recipient and NCPA as a pass-through entity.

[Accounting and Power Management to work with Plumas and provide hourly rate or monthly retainer]