

# San Gorgonio Pass Water Agency

**DATE:** December 15, 2025  
**TO:** Board of Directors  
**FROM:** Lance Eckhart, General Manager  
**BY:** Emmett Campbell, Director of Water Resources

**SUBJECT:** Consideration and Adoption of the Resolution 2025-11 Authorizing Execution of Agreements for (1) Repayment of Debt Service and Removal of Greenspot Pump Station Facilities from the State Water Project, (2) Designation of New Delivery Structures, and (3) Electrical Interconnection and Wholesale Distribution Service with Southern California Edison Company

## RECOMMENDATION

Adopt Resolution 2025-11 Authorizing Execution of Agreements for (1) Repayment of Debt Service and Removal of Greenspot Pump Station Facilities from the State Water Project, (2) Designation of New Delivery Structures, and (3) Electrical Interconnection and Wholesale Distribution Service with Southern California Edison Company.

## PREVIOUS CONSIDERATIONS

No previous considerations.

## BACKGROUND

San Bernardino Valley Municipal Water District (“SBVMWD”) and San Gorgonio Pass Water Agency (“SGPWA”) are State Water Project (“SWP”) contractors of DWR under long-standing water supply contracts executed in 1960 and 1962, respectively. These contracts govern the delivery, operation, and financial responsibilities associated with SWP facilities used to convey project water to each agency’s service area.

In 1996, DWR, SBVMWD, and SGPWA entered into the California Aqueduct East Branch Extension (“EBX”) Participation Agreement to extend SWP conveyance facilities eastward through SBVMWD’s service area into SGPWA’s service area in two phases. Subsequent agreements in 1997, 1998, and 1999 established repayment obligations, assigned capacity rights, expanded facilities, and defined repayment reaches known as EBX Reaches 2A, 2B, and 2C (“Phase I”), and Reaches 2D and 2E (“Phase II”). Key facilities constructed and improved under these agreements included the Greenspot Pump Station and related pipelines (together, the “Greenspot Facilities”).

EBX Phase II, including the Citrus Reservoir and Citrus Pump Station, became operational in 2017. With the completion of Phase II, EBX Reaches 2A, 2B, and 2C, along with the Greenspot Pump Facilities, became largely surplus to DWR’s SWP operations. In October 2018, SBVMWD and SGPWA formally requested that DWR initiate the process to evaluate costs and allow for repayment and return (“buyback”) of the Greenspot Facilities.

In response, DWR and the agencies developed a coordinated package of interrelated agreements to:

- Provide for repayment of remaining capital and financing costs associated with the Greenspot Facilities; and
- Remove EBX Reaches 2A, 2B, and 2C from the official list of SWP facilities; and
- Relinquish DWR's capacity rights in those facilities; and
- Transfer full operation and maintenance responsibilities to SBVMWD and SGPWA; and
- Establish new delivery and non-project water conveyance protocols under modified system operations (together, the "Agreement").

The Agreement governs repayment of debt service, removal of facilities from the SWP, and designation of new delivery structures. Its effectiveness is expressly conditioned upon execution of several related agreements, including:

- Amendment No. 21 to SGPWA's Water Supply Contract
- Amendment No. 2 to the 1998 Capacity Rights Agreement
- Revised Exhibit A to the EBX Operations & Maintenance Joint Exercise of Powers Agreement
- A multi-year Non-Project Water Introduction and Conveyance Agreement
- Several energy-related amendments and terminations

Collectively, the various agreements realign ownership, operational responsibility, financial obligations, and delivery authority following the successful completion of EBX Phase II.

In connection with the removal of the Greenspot Facilities from the State Water Project and the transfer of full operational responsibility to SBVMWD and SGPWA, new electrical service arrangements are required to maintain uninterrupted power service to the facility. Accordingly, SBVMWD and SGPWA have negotiated new agreements with Southern California Edison Company ("SCE") to replace the prior DWR-SCE power arrangements. These include a Greenspot Pumping Station Interconnection Facilities Agreement governing the ownership, operation, maintenance, and cost responsibility for the electrical interconnection facilities, and a Service Agreement for Wholesale Distribution Service providing for ongoing electrical distribution service to the Greenspot Facilities under SCE's applicable tariff.

Because the new electrical service arrangements for the Greenspot Facilities will be provided pursuant to tariffs regulated by the Federal Energy Regulatory Commission (“FERC”), the new SCE agreements are subject to FERC acceptance prior to becoming effective. In addition, removal of the Greenspot Facilities from the State Water Project requires the coordinated termination of the existing electrical service arrangements between DWR and SCE. To ensure uninterrupted electrical service and a seamless operational transition, the parties intend for DWR’s disconnection of service and the execution of the new SBVMWD/SGPWA–SCE agreements to occur simultaneously. The agreements are structured for a targeted effective date of January 1, 2026, in order to establish a clean transition aligned with the start of a new calendar year for operational, billing, and regulatory purposes.

## **ANALYSIS**

The core agreement establishes the framework for DWR’s formal relinquishment of EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated infrastructure. Under this agreement, SBVMWD and SGPWA assume full operational control, while DWR removes these facilities from the official list of State Water Project assets. The agreement is not effective until all related implementing documents are executed and SBVMWD and SGPWA satisfy all remaining Greenspot-related debt obligations through calendar year 2025. As of the date of this report, all such debt service associated with these facilities has been fully paid, and DWR has confirmed that the conditions necessary to execute the agreement have been met. This structure ensures that DWR recovers all remaining capital and financing costs before transferring long-term responsibility to the local agencies, consistent with prior repayment provisions established under Article 59 of each agency’s SWP contract.

Amendment No. 21 to SGPWA’s Water Supply Contract formally revise the agencies’ contract tables to remove EBX Reaches 2A, 2B, and 2C from SWP facilities. These amendments also update facility nomenclature by replacing outdated references to the Mentone Reservoir and Pump Station with the Citrus Reservoir and Citrus Pump Station. These amendments are necessary to align the agencies’ long-term SWP contracts with the physical system that has existed since EBX Phase II became operational in 2017.

Amendment No. 2 to the 1998 Capacity Rights Agreement documents DWR’s formal relinquishment of its assigned capacity rights in the local facilities located in EBX Reaches 2A, 2B, and 2C. After amendment, SBVMWD and SGPWA retain sole control of water conveyance, handling, and distribution within those reaches, while DWR continues to hold capacity rights only in the remaining EBX SWP facilities. This change eliminates outdated SWP operational claims over facilities that now function strictly as local conveyance infrastructure.

The revised Exhibit A or Attachment 1 to the EBX Operations & Maintenance Joint Exercise of Powers Agreement reassigns direct operational and maintenance responsibilities for EBX Reaches 2A, 2B, and 2C to SBVMWD and SGPWA. These agencies assume full responsibility for pump stations, pipelines, reservoirs, control systems, fiber optic communications, site security, and associated appurtenances. DWR retains certain system-wide regulatory, security, and dam safety oversight functions. This

revision aligns legal responsibility with the agencies that now physically operate and control the facilities.

The Multi-Year Agreement for Introduction and Conveyance of Non-Project Water authorizes SBVMWD and SGPWA, through December 31, 2045, to reintroduce previously delivered SWP water into EBX Reach 3A using their local conveyance facilities under limited emergency or capacity-constrained conditions. This agreement establishes scheduling, operational, water quality, and notification protocols and clarifies that such reintroduced water is considered “Non-Project Water” under Article 55 of each agency’s Water Supply Contract. This agreement provides essential operational flexibility while preserving SWP system integrity and regulatory oversight.

Following removal of the Greenspot Facilities from the State Water Project, electrical service to the facility will no longer be provided under agreements between DWR and SCE. The new Greenspot Pumping Station Interconnection Facilities Agreement shifts responsibility for the electrical interconnection facilities to SBVMWD and SGPWA and establishes their obligation to pay all associated interconnection, upgrade, and maintenance costs directly to SCE. In addition, the Service Agreement for Wholesale Distribution Service (WDT 2049) provides the ongoing tariff-based framework under which SCE will deliver wholesale electrical distribution service to the Greenspot Facilities. Together, these two SCE agreements ensure continuity of power service to critical pumping infrastructure following the facility’s transition from State ownership to local agency control. Approval of these agreements is functionally necessary to implement the Greenspot facility transfer and to support continued water delivery operations under the realigned EBX system.

Implementation of the SCE power agreements is subject to acceptance by FERC and must be carefully coordinated with the termination of existing electrical service arrangements between DWR and SCE. To avoid any lapse in electrical service to the Greenspot Pump Station, the agreements are structured to require a simultaneous disconnection by DWR and activation of the new SBVMWD/SGPWA service agreements with SCE. Establishing a targeted effective date of January 1, 2026 provides a controlled and predictable transition aligned with the calendar year, reducing operational, billing, and regulatory risk for all parties.

## **STRATEGIC PLAN NEXUS**

Resolution 2025-11 helps advance various aspects of the Agency’s Strategic Plan, including:

- Strategic Goal 1: Align with the current and future water landscape, supporting the region’s long-term needs by diversifying the local supply portfolio and advancing water sustainability.
  - ✓ Objective 1 – Continue to participate in and facilitate local and state projects that increases water supply reliability, such as Sites Reservoir, Delta Conveyance, and other State Water Project facilities.

- Strategic Goal 2: Ensure a reliable delivery system that advances efficiency and resiliency.
  - ✓ Objective 5 – Pursue the strategic acquisition of water-related assets including water, facilities, or water rights, that align with the Agency's mission and provide long-term regional benefits by enhancing water supply reliability, operational flexibility, and resource sustainability.

## **FISCAL IMPACT**

No additional fiscal impacts are anticipated as a result of this agreement. Any minor costs associated with completing final billing for the facilities are expected to be de minimis and would have been incurred regardless of whether the facilities were transferred or remained under DWR's control.

## **ACTION**

Adopt Resolution 2025-11 Authorizing Execution of Agreements for (1) Repayment of Debt Service and Removal of Greenspot Pump Station Facilities from the State Water Project, (2) Designation of New Delivery Structures, and (3) Electrical Interconnection and Wholesale Distribution Service with Southern California Edison Company.

## **ATTACHMENTS**

1. Resolution No. 2025-11 Authorizing Execution of Agreements for (1) Repayment of Debt Service and Removal of Greenspot Pump Station Facilities from the State Water Project, (2) Designation of New Delivery Structures, and (3) Electrical Interconnection and Wholesale Distribution Service with Southern California Edison Company
  - A. Agreement Between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency For Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of these Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures
  - B. Amendment No. 21 to SGPWA's Water Supply Contract
  - C. Amendment No. 2 to the 1998 Capacity Rights Agreement
  - D. Revision to Attachment 1 to the EBX O&M Joint Exercise of Powers Agreement
  - E. Multi-Year Agreement among the Parties for Introduction and Conveyance of Non-Project Water in the State Water Project Facilities
  - F. Service Agreement for Wholesale Distribution Service Among Southern California Edison Company and San Bernardino Valley Municipal Water

District and San Gorgonio Pass Water Agency (Project: Greenspot Pumping Station – WDT2049)

G. Greenspot Pumping Station Interconnection Facilities Agreement Among Southern California Edison Company And San Bernardino Valley Municipal Water District And San Gorgonio Pass Water Agency (Project: Greenspot Pumping Station – WDT2049)

RESOLUTION NO. 2025-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY AUTHORIZING EXECUTION OF AGREEMENTS FOR (1) REPAYMENT OF DEBT SERVICE AND REMOVAL OF GREENSPOT PUMP STATION FACILITIES FROM THE STATE WATER PROJECT, (2) DESIGNATION OF NEW DELIVERY STRUCTURES, AND (3) ELECTRICAL INTERCONNECTION AND WHOLESALE DISTRIBUTION SERVICE WITH SOUTHERN CALIFORNIA EDISON COMPANY

WHEREAS, the San Gorgonio Pass Water Agency (“Agency”) is a State Water Project contractor under a long-term water supply contract with the Department of Water Resources (“DWR”) to import water from Lake Oroville and the Sacramento-San Joaquin Delta through the State Water Project and into the San Gorgonio Pass area; and

WHEREAS, the Agency and the San Bernardino Valley Municipal Water District (“SBVMWD”) participate in the operation and use of the East Branch Extension of the State Water Project (“EBX”); and

WHEREAS, DWR, the Agency, and SBVMWD have entered into multiple historical agreements governing the construction, financing, capacity rights, and operation of the EBX, including facilities located in EBX Reaches 2A, 2B, and 2C, which facilities include the Greenspot Pump Station and associated facilities (together, the “Greenspot Facilities”); and

WHEREAS, EBX Phase II facilities became operational in 2017, rendering EBX Reaches 2A, 2B, and 2C no longer necessary for ongoing State Water Project operations; and

WHEREAS, the Agency and SBVMWD requested that DWR initiate the evaluation and repayment process for remaining capital and financing costs associated with the Greenspot Pump Facilities; and

WHEREAS, DWR, the Agency, and SBVMWD have negotiated a comprehensive agreement entitled: “Agreement Between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures” (“Agreement”) which serves as the umbrella agreement for a coordinated package of related amendments and implementing agreements; and

WHEREAS, the Agreement conditions its effectiveness upon execution of multiple related agreements, including but not limited to:

- Amendment No. 21 to the San Gorgonio Pass Water Agency’s State Water Project Water Supply Contract;

- Amendment No. 2 to the 1998 Capacity Rights Agreement; and
- Revisions to the East Branch Extension Operations and Maintenance Joint Exercise of Powers Agreement; and
- A Multi-Year Agreement for the Introduction and Conveyance of Non-Project Water; and
- Related real property conveyances, joint use agreements, terminations, and utility-related amendments; and

WHEREAS, these agreements collectively provide for the full repayment of all remaining State-incurred costs, the transfer of operational responsibility of the Greenspot Facilities to the Agency and SBVMWD, and continued delivery flexibility for State Water Project supplies; and

WHEREAS, in order to maintain uninterrupted electrical service to the Greenspot Facilities following their removal from the State Water Project facilities, the Agency and SBVMWD must enter into new electrical service agreements with Southern California Edison Company (“SCE”), independent of their agreements with DWR, including the following:

- A Greenspot Pumping Station Interconnection Facilities Agreement among SCE, SBVMWD, and Agency, governing the design, construction, ownership, operation, maintenance, and cost responsibility for the electrical interconnection facilities serving the Greenspot Facilities; and
- A Service Agreement for Wholesale Distribution Service (WDT 2049) among SCE, SBVMWD, and the Agency providing for wholesale electrical distribution service to the Greenspot Facilities pursuant to SCE’s Federal Energy Regulatory Commission tariff; and

WHEREAS, the Board of Directors finds that all actions authorized by this Resolution are categorically exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15301 (Existing Facilities);

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution.

Section 2. Approval of Agreements. SGPWA’s Board of Directors hereby approves the execution of the following agreements and related documents, collectively concerning the repayment, realignment, continued operation, and electrical service for the Greenspot Facilities:

- Attachment A: The Agreement Between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures; and
- Attachment B: Amendment No. 21 to the Water Supply Contract Between the Department of Water Resources of the State of California and San Gorgonio Pass Water Agency; and
- Attachment C: Amendment No. 2 to the California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities (1998 Capacity Rights Agreement); and
- Attachment D: Revised Exhibit A – Attachment 1 to the EBX Operations & Maintenance Joint Exercise of Powers Agreement; and
- Attachment E: Multi-Year Agreement Between the Department of Water Resources of the State of California, San Bernardino Valley municipal Water District, and San Gorgonio Pass Water Agency for Introduction and Conveyance of Non-Project Water in the State Water Project Facilities; and
- Attachment F: Service Agreement for Wholesale Distribution Service Among Southern California Edison Company and San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency (Project: Greenspot Pumping Station – WDT2049); and
- Attachment G: Greenspot Pumping Station Interconnection Facilities Agreement Among Southern California Edison Company And San Bernardino Valley Municipal Water District And San Gorgonio Pass Water Agency (Project: Greenspot Pumping Station – WDT2049)

Section 3. General Manager Authorization. The Agency's Board of Directors hereby authorizes the General Manager, or his designee, to execute and deliver the agreements approved by this Resolution on behalf of the Agency, including all related certificates, notices, consents, and implementing documents necessary to carry out the intent of this Resolution. The General Manager, or his designee, is further authorized to approve such non-substantive, ministerial, or technical changes to the approved agreements as may be required by the DWR, SCE, regulatory agencies, or Agency legal counsel, provided that such changes do not materially affect the Agency's financial obligations or substantive rights.

Section 4. Severability. If any provision of this Resolution is held invalid, the remainder of the Resolution shall not be affected by such invalidity, and such portions of this Resolution are severable.

Section 5. Effective Date. This Resolution shall become effective immediately upon its adoption.

Passed and adopted by the San Gorgonio Pass Water Agency on this \_\_\_\_\_ day of December 2025 by the following vote:

AYES:

NOES:

ABSENT:

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Maricela Cabral  
Board Clerk

Attachment A

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

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AGREEMENT BETWEEN  
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA,  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT,  
AND SAN GORGONIO PASS WATER AGENCY  
FOR  
REPAYMENT OF DEBT SERVICE ASSOCIATED WITH GREENSPOT PUMP  
STATION AND ASSOCIATED FACILITIES, REMOVAL OF THESE FACILITIES FROM  
THE LIST OF STATE WATER PROJECT FACILITIES, AND DESIGNATION OF NEW  
DELIVERY STRUCTURES

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THIS AGREEMENT is made pursuant to the provisions of the California Water Resources Development Bond Act, and other applicable laws of the State of California, between the Department of Water Resources of the State of California, herein referred to as "DWR," San Bernardino Valley Municipal Water District, herein referred to as "SBVMWD," and San Gorgonio Pass Water Agency, hereinafter referred to as "SGPWA." DWR, SBVMWD, and SGPWA may be referred to individually as "Party," or collectively as "Parties."

## RECITALS

- A. On December 30, 1960, DWR and SBVMWD entered into and subsequently amended a water supply contract providing that DWR shall supply certain quantities of water to SBVMWD and providing that SBVMWD shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payments (herein referred to as "SBVMWD's Water Supply Contract").
- B. On November 16, 1962, DWR and SGPWA entered into and subsequently amended a water supply contract providing that DWR shall supply certain quantities of water to SGPWA and providing that SGPWA shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payments (herein referred to as "SGPWA's Water Supply Contract").
- C. On July 16, 1970, SBVMWD and SGPWA entered into the "Joint Facilities Agreement," which provided for, among other things, SBVMWD and SGPWA's joint participation in the construction and operation of new local conveyance facilities to deliver water from the State Water Project (SWP) at Devil Canyon First Afterbay eastward toward their service areas. This agreement was implemented in lieu of SBVMWD and SGPWA each constructing separate but substantially parallel pipelines to deliver water from the SWP to their service areas.
- D. On February 10, 1986, SBVMWD and SGPWA entered into the "Second Joint Facilities Agreement," which provided for, among other things, SBVMWD and SGPWA's joint participation in the construction and operation of additional local conveyance facilities, interconnected with those constructed under the 1970 Joint Facilities Agreement, intended to deliver water from the SWP further eastward to their service areas. The Greenspot Pump Station and associated facilities were constructed under the authority of the Second Joint Facilities Agreement. The Second Joint Facilities Agreement also provided for SGPWA to participate in constructing certain other facilities that may be required and agreed upon by the parties.
- E. On August 20, 1996, the Parties entered into an agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction]," herein referred to as the "1996 Participation Agreement," to improve existing water conveyance facilities and to construct new facilities to extend the SWP through SBVMWD's service area to SGPWA's service area, known as the "East Branch Extension," in two phases, Phase I and Phase II.
- F. On March 27, 1997, DWR and SBVMWD, via Amendment No. 16 to SBVMWD's Water Supply Contract, agreed to participate together in the new conveyance

and pumping facilities of the East Branch Extension (EBX) by, among other provisions, adding Article 59 – East Branch Extension to SBVMWD’s Water Supply Contract, which defined the “East Branch Extension Facilities” and incorporated financial provisions for payments to be made by SBVMWD to DWR for those facilities, including SBVMWD’s obligation to return to DWR an amount equal to all capital costs and financing costs allocated to SBVMWD which DWR incurs for the construction of East Branch Extension Facilities.

- G. On March 27, 1997, DWR and SGPWA, via Amendment No. 15 to SGPWA’s Water Supply Contract, agreed to participate together in the new conveyance and pumping facilities of the EBX by, among other provisions, adding Article 59 – East Branch Extension to SGPWA’s Water Supply Contract, which defined the “East Branch Extension Facilities” and incorporated financial provisions for payments to be made by SGPWA to DWR for those facilities, including SGPWA’s obligation to return to DWR an amount equal to all capital costs and financing costs allocated to SGPWA which DWR incurs for the construction of East Branch Extension Facilities.
- H. On July 14, 1998, the Parties entered into an agreement titled “California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities,” herein referred to as the “1998 Capacity Rights Agreement,” which provided for the assignment of SBVMWD’s and SGPWA’s capacity rights in SBVMWD’s water conveyance facilities to DWR to be used as part of the EBX and granted to DWR access rights to those water conveyance facilities.
- I. On August 20, 1999, the Parties entered into “Amendment 1 to California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction] and to California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities,” herein referred to as the “1999 Amendment,” to amend the 1996 Participation Agreement and the 1998 Capacity Rights Agreement.
- J. The 1999 Amendment added certain additional facilities to the EBX and redefined EBX Repayment Reaches, resulting in the current definition of Repayment Reaches 2A, 2B, and 2C of EBX Phase I representing a branch of SWP water conveyance facilities parallel with and connecting to the extents of EBX Phase II Repayment Reaches 2D and 2E, as shown in Exhibit A to the 1999 Amendment.
- K. The 1999 Amendment provided that DWR shall construct improvements to SBVMWD’s existing Greenspot Pump Station and certain associated facilities

within EBX Phase I to increase the efficiency of delivering water through these facilities. The 1999 Amendment also added Paragraph 4d to the 1996 Participation Agreement, which provided that SBVMWD agrees to allow DWR to deliver SWP water through the improved Greenspot Pump Station and associated facilities until EBX Phase II facilities are completed and in operation.

- L. On December 8, 2000, in order to deliver electric energy to the EBX facilities, DWR and the Southern California Edison Company (SCE) entered into an agreement titled "Cherry Valley, Crafton Hills and Greenspot Pumping Stations Interconnection Facilities Agreement between Southern California Edison Company and State of California Department of Water Resources," herein referred to as the "DWR-SCE Interconnection Facilities Agreement," to set forth the terms and conditions for SCE to provide design, construction, ownership, operation, and maintenance of the electric transmission facilities interconnecting the Cherry Valley, Crafton Hills, and Greenspot Pump Stations to SCE's electric energy system.
- M. On October 3, 2002, in order to establish electric distribution service from SCE at the Greenspot Pump Station, DWR and SCE entered into an agreement titled "Service Agreement for Wholesale Distribution Service," herein referred to as the "DWR-SCE Wholesale Distribution Service Agreement," to set forth the terms and conditions governing the receipt of electricity at Greenspot Pump Station.
- N. On December 24, 2002, in order to account for the supply of electric energy provided by SCE at the Greenspot Pump Station, DWR and SCE entered into an agreement titled "Southern California Edison Company and State of California Department of Water Resources Meter Service Agreement for Wholesale Load," herein referred to as the "DWR-SCE Meter Service Agreement," to set forth the terms and conditions for DWR to provide to SCE its electric meter data related to delivery of electric energy to the Greenspot Pump Station.
- O. On December 29, 2014, the Parties entered into an agreement titled "Joint Exercise of Powers Agreement Among the State of California, Department of Water Resources, the San Bernardino Valley Municipal Water District, and the San Gorgonio Pass Water Agency Relating to the Operation and Maintenance of the East Branch Extension," herein referred to as the "EBX O&M Joint Exercise of Powers Agreement," to provide for the Parties' respective rights and obligations related to the operations and maintenance of the EBX facilities.
- P. On February 17, 2015, SBVMWD and SGPWA entered into the "Third Joint Facilities Agreement Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency," which, among other things, clarified and modified certain capacity rights among SBVMWD and SGPWA in the local

conveyance facilities utilized to deliver SWP water in anticipation of completion of EBX Phase II facilities.

- Q. In 2017, Reaches 2D and 2E of EBX Phase II became operational.
- R. On October 16, 2018, SBVMWD and SGPWA submitted a letter to DWR requesting that DWR evaluate the costs for DWR's improvements to the Greenspot Pump Station and associated facilities within EBX Reaches 2A, 2B, and 2C for repayment by SBVMWD to allow SBVMWD to begin the "buyback" process of these facilities, pursuant to the 1999 Amendment.
- S. On June 25, 2020, as a result of completion of the EBX Phase II facilities, SBVMWD and SGPWA entered into the "Fourth Joint Facilities Agreement Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency," which, among other things, formalized and finalized the terms and conditions regarding certain capacity rights and payment obligations among SBVMWD and SGPWA in the local conveyance facilities utilized to deliver SWP water to SBVMWD and SGPWA.
- T. After EBX Phase II became operational, EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated facilities, have largely become surplus SWP facilities, and therefore DWR agrees to relinquish DWR's capacity rights in these facilities and to remove EBX Reaches 2A, 2B, and 2C from the list of SWP facilities.
- U. The Parties believe and confirm that DWR's interests in the facilities located in EBX Reaches 2A, 2B, and 2C do not include any real property rights.
- V. The Parties believe that, in addition to execution of this Agreement, the following will be required to implement removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities, DWR's relinquishment of its rights and obligations for EBX Reaches 2A, 2B, and 2C to SBVMWD and SGPWA, and the transfer of all operation and maintenance responsibilities for EBX Reaches 2A, 2B, and 2C to SBVMWD and SGPWA. The Parties intend to execute these agreements and other documents contemporaneously as a package of agreements in response to the October 16, 2018 request:
  - 1) Repayment by SBVMWD and SGPWA of all remaining costs incurred by DWR for the Greenspot Pump Station and associated facilities within EBX Reaches 2A, 2B, and 2C;
  - 2) An amendment to SBVMWD's and SGPWA's respective Water Supply Contracts to document the removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities;

- 3) An amendment to the 1998 Capacity Rights Agreement to relinquish DWR's capacity rights in SBVMWD's facilities within EBX Reaches 2A, 2B, and 2C;
- 4) A revision to Attachment 1 to the EBX O&M Joint Exercise of Powers Agreement to remove references to the facilities within EBX Reaches 2A, 2B, and 2C and to add Foothill Pipeline Intertie and Greenspot Pipeline Intertie;
- 5) An agreement between DWR, SBVMWD, and SGPWA to allow for the introduction of SBVMWD's and SGPWA's Non-Project water into the EBX;
- 6) An amendment to the DWR-SCE Interconnection Facilities Agreement to remove references to Greenspot Pump Station;
- 7) Termination of the DWR-SCE Wholesale Distribution Service Agreement for Greenspot Pump Station;
- 8) Termination of the DWR-SCE Meter Service Agreement for Greenspot Pump Station;

W. SBVMWD and SGPWA acknowledge that issuance by DWR of revenue bonds under Article 59 of SBVMWD's and SGPWA's Water Supply Contracts was for the entire EBX, and that DWR has made a reasonable effort to identify a portion of such EBX financing attributable to the improvements to the Greenspot Pump Station and associated facilities.

X. In December 2023, DWR invoiced and later collected \$8,682,976 in charges from SBVMWD under a revised EBX Invoice in addition to SBVMWD's 2023 Statement of Charges, and in December 2024 DWR invoiced and later collected \$4,551,262 in charges from SBVMWD under a revised EBX Invoice in addition to SBVMWD's 2024 Statement of Charges, which combined together represent the approximate remaining capital and financing costs incurred by DWR for the Greenspot Pump Station and associated facilities through 2024. Invoicing of all remaining costs incurred by DWR for the Greenspot Pump Station and associated facilities is expected to be accomplished by the end of 2025.

Y. In order to clarify and document their respective rights related to joint use and access to certain EBX facilities, DWR and SBVMWD entered into a Joint Use Agreement on October 7, 2025, and SBVMWD conveyed fee title to the site for the Crafton Hills Pumping Plant to DWR on October 31, 2025, as previously agreed by the Parties pursuant to Paragraph 11 in the 1998 Capacity Rights Agreement.

Z. Each Party has independently concluded that the activities pursuant to this

Agreement are exempt from the California Environmental Quality Act (CEQA). Although the Parties' respective interests in EBX Reaches 2A, 2B, and 2C and their respective operation and maintenance responsibilities will change as a result of this Agreement, the subject facilities will continue to be operated consistent with current operational practices with no expansion of existing or former use, and the activities under this Agreement will not result in any direct or reasonably foreseeable indirect physical changes in the environment. SBVMWD, as the lead agency, will file a Notice of Exemption (NOE) with the State Clearinghouse based on CEQA Guidelines Section 15301 (Existing Facilities). DWR, as a responsible agency, will file a NOE upon execution of this Agreement.

## **AGREEMENT**

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree to the following:

### **EFFECTIVENESS**

1. Subject to the conditions in Paragraphs 2 through 4, this Agreement shall become effective on \_\_\_\_\_ (Effective Date).
2. This Agreement and the rights and obligations hereunder shall not be effective until each of the following agreements and amendments has been properly executed and made effective in the form substantially similar to that included in the relevant attachments to this Agreement:
  - a. Amendment No. 20 to SBVMWD's Water Supply Contract (SWP #25007, Attachment A)
  - b. Amendment No. 21 to SGPWA's Water Supply Contract (SWP #25008, Attachment B)
  - c. Amendment No. 2 to the 1998 Capacity Rights Agreement (Attachment C)
  - d. Revision to Attachment 1 to the EBX O&M Joint Exercise of Powers Agreement (Attachment D)
  - e. Multi-Year Agreement among the Parties for Introduction and Conveyance of Non-Project Water in the State Water Project Facilities (SWP #25009, Attachment E)
  - f. Amendment to the DWR-SCE Interconnection Facilities Agreement (Attachment F)
  - g. Termination of the DWR-SCE Wholesale Distribution Service Agreement (Attachment G)
  - h. Termination of the DWR-SCE Meter Service Agreement (Attachment H)
  - i. Joint Use Agreement for Phase II of the East Branch Extension (Attachment I)
  - j. Conveyance of fee title from SBVMWD to DWR for the site for the Crafton Hills Pumping Plant (Attachment J)
3. The effectiveness of this Agreement and the rights and obligations hereunder is further conditioned upon SBVMWD's and SGPWA's payment of total outstanding

debt service for capital costs at Greenspot Pump Station and associated facilities, including debt to be paid through calendar year 2025 as previously billed on the statement of charges.

## **PREVIOUS AGREEMENTS**

4. This Agreement supplements but does not supersede the 1996 Participation Agreement, as amended by the 1999 Amendment. To the extent there is an inconsistency between this Agreement and the 1996 Participation Agreement, this Agreement shall govern.

## **UNIQUENESS OF AGREEMENT**

5. DWR's approval under this Agreement is unique and shall not be considered a precedent for future agreements or DWR activities.

## **APPROVALS**

6. DWR's removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities and the associated changes to the Parties' respective interests, rights, and obligations related to these facilities shall be contingent upon, and subject to, any necessary approvals, and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. SBVMWD and SGPWA shall furnish to DWR copies of all approvals and agreements required for the implementation of this Agreement.

## **GENERAL PROVISIONS**

7. DWR agrees to and approves the removal of the EBX Reaches 2A, 2B, and 2C, as shown in Exhibit 1, from the list of SWP facilities and relinquishment of DWR's contractual rights related to EBX Reaches 2A, 2B, and 2C, as documented by the agreements and amendments referenced in Paragraph 2 of this Agreement.
8. Unless expressly provided elsewhere in this Agreement, all DWR's interests, rights, and obligations related to the facilities within EBX Reaches 2A, 2B, and 2C shall terminate on the Effective Date of this Agreement. The Parties agree to execute the agreements and amendments listed in Paragraph 2 of this Agreement and cooperate to execute any other necessary agreements or documents to provide for the transfer of DWR's interests, rights, and obligations related to the facilities within EBX Reaches 2A, 2B, and 2C from DWR to SBVMWD and/or SGPWA, as appropriate.

9. The Parties agree that DWR's relinquishment of capacity rights and other interests pursuant to this Agreement and other agreements and amendments referenced in Paragraph 2 above is limited to EBX Reaches 2A, 2B, and 2C, and that after EBX Reaches 2A, 2B, and 2C are removed from the list of SWP facilities, DWR will continue utilizing its assigned capacity rights and any other rights for facilities that remain part of the EBX within the SWP facilities for conveyance and delivery of SWP water to SBVMWD and SGPWA.
10. Commencing on the Effective Date of this Agreement, SBVMWD shall be fully and solely responsible for the operation and maintenance of all facilities formerly within EBX Reaches 2A, 2B, and 2C, including compliance with all laws, environmental permits, and authorizations, and any regulatory approvals applicable to the operation and maintenance of the facilities formerly within EBX Reaches 2A, 2B, and 2C. This shall include SBVMWD contacting the agencies responsible for issuing such consents, permits, orders, and agreements, to cooperate to have all authorizations related to EBX Reaches 2A, 2B, and 2C modified so that SBVMWD is directly responsible for complying with them instead of DWR, as applicable.
11. From and after the Effective Date of this Agreement, DWR will have no responsibility for control, carriage, handling, use, disposal, or distribution of water through the facilities formerly within EBX Reaches 2A, 2B, and 2C, and all such responsibility will belong to SBVMWD and SGPWA as they may agree.

## **DELIVERY STRUCTURES**

12. DWR approves the following existing facilities as new delivery structures pursuant to Article 10 in SBVMWD's Water Supply Contract:
  - a. Foothill Pipeline Intertie: As shown in Exhibit 2, the Foothill Pipeline Intertie is located at approximately Milepost 14.12 (approximately Sta. 745+59.71) along the Foothill Pipeline, at the bifurcation of the EBX Reach 1 into EBX Reach 2A and EBX Reach 2D. This Intertie consists of SBVMWD's 78-inch diameter Foothill Pipeline and a tee structure, and has a maximum design flow rate of 288 cubic feet per second (cfs). SBVMWD will own all facilities of the Foothill Pipeline Intertie, and operation and maintenance of the Foothill Pipeline Intertie shall be governed by the EBX O&M Joint Exercise of Powers Agreement, as may be amended.
  - b. Greenspot Pipeline Intertie: As shown in Exhibit 3, the Greenspot Pipeline Intertie is located at approximately Milepost 3.58 (Sta. 189+01) along the Greenspot Pipeline at the Crafton Hills valve vault CHV2-1, approximately 75 feet eastward of the bifurcation of SBVMWD's Greenspot Pipeline and SBVMWD's Tate Pipeline, and has a maximum design flow rate of 70 cubic feet per second (cfs). DWR retains ownership of the Crafton Hills

valve vault CHV2-1, and operation and maintenance of the Greenspot Pipeline Intertie shall be governed by the EBX O&M Joint Exercise of Powers Agreement, as may be amended.

Upon the Effective Date of this Agreement, DWR will lock Crafton Hills valve vault CHV2-2 to prevent unmetered water movements through the structure.

13. DWR approves the Foothill Pipeline Intertie, as described in Paragraph 12a, as a delivery structure pursuant to Article 10 in SGPWA's Water Supply Contract. SGPWA may choose to have its SWP water supplies delivered to the Foothill Pipeline Intertie for subsequent delivery through SBVMWD's local conveyance facilities to SGPWA's service area, as SBVMWD and SGPWA may agree.
14. DWR is not responsible for the use, effects, or disposal of SBVMWD's and SGPWA's SWP water supplies once the water is delivered to SBVMWD's and SGPWA's respective delivery structures. Responsibility shifts from DWR to SBVMWD and/or SGPWA, as appropriate, when DWR delivers the water to the designated delivery structure.

## **WATER DELIVERY MEASURING DEVICES, MEASUREMENTS, AND RECORDS**

15. Within three years from the Effective Date of this Agreement, SBVMWD shall install and own measuring devices and appurtenances at Foothill Pipeline Intertie and Greenspot Pipeline Intertie to accomplish the proper measurement, maintenance, and recordkeeping activities as described in Article 11 and 59(c) of SBVMWD's and SGPWA's respective Water Supply Contracts.
  - a. Foothill Pipeline Intertie measuring device: A bi-directional measuring device will be installed approximately 170 feet downstream from the Foothill Pipeline Intertie facility, at approximately Milepost 14.15 (approximately Sta. 747+30) of the Foothill Pipeline.
  - b. Greenspot Pipeline Intertie measuring device: A bi-directional measuring device will be installed approximately 40 feet westward from Crafton Hills valve vault CHV2-1, at approximately Milepost 3.57 (approximately Sta. 188+62) of the Greenspot Pipeline.
16. DWR will install fiber optic cables to directly connect the measuring devices installed by SBVMWD at the Foothill Pipeline Intertie and Greenspot Pipeline Intertie. These fiber optic cables will allow DWR to acquire data directly from the meters for communication into DWR's data acquisition system. DWR will own these fiber optic cables, and SBVMWD shall provide to DWR right-of-way for such fiber optic cables. SBVMWD shall be responsible for all costs incurred by DWR for the installation of the fiber optic cables. Operation and maintenance of these fiber optic cables shall be governed by the EBX O&M Joint Exercise of

Powers Agreement, as may be amended. Installation of measuring devices and fiber optic cables shall be subject to a separate agreement between DWR and SBVMWD to be executed prior to planned construction.

17. Until measuring devices and the necessary fiber optic cables are installed on Foothill Pipeline Intertie and Greenspot Pipeline Intertie, SBVMWD shall continue to provide to DWR the data and records necessary for proper accounting of water deliveries to SBVMWD and SGPWA in the EBX. After installation of the measuring devices, SBVMWD shall cooperate with DWR to establish fiber optic cable connections, data connections, and to develop new water accounting protocol to ensure proper accounting of water deliveries to and from SBVMWD and SGPWA through Foothill Pipeline Intertie and Greenspot Pipeline Intertie.

## **EQUIPMENT TRANSFER**

18. Upon the Effective Date of this Agreement, the equipment of the Greenspot Pump Station and associated facilities listed in the asset inventory, attached to this Agreement as Exhibit 4, shall be removed from the DWR inventory of SWP assets and shall become the property of SBVMWD.

## **CHARGES**

19. Under the authority of Article 59 of SBVMWD's and SGPWA's respective Water Supply Contracts, due consideration has been provided to DWR by SBVMWD and SGPWA for the outstanding debt service for capital costs incurred by DWR attributable to the facilities within EBX Reaches 2A, 2B, and 2C subject to this Agreement, in exchange for DWR's relinquishment of rights and interests in these facilities. SBVMWD and SGPWA shall be fully responsible for all other costs incurred by DWR with respect to the Greenspot Pump Station and associated facilities, and these costs shall be subject to the redetermination clause under Article 31 of SBVMWD's and SGPWA's respective Water Supply Contracts.
20. Execution of this Agreement shall not affect or impair SBVMWD's and SGPWA's obligations to make any and all payments to DWR under SBVMWD's and SGPWA's respective Water Supply Contracts, including but not limited to any and all payments related to EBX included in the 2025 Statement of Charges and any future Statements of Charges.
21. SBVMWD and SGPWA shall be responsible for all costs incurred by DWR for activities pursuant to this Agreement. All DWR invoices for costs incurred under this Agreement are due and payable within 30 days after the date of the invoice. Unpaid amounts of such invoices will become delinquent after the due date and interest shall accrue thereon at a rate of 1 percent per month from the date the

payment was due. However, no interest shall be charged unless delinquency continues for more than 30 days.

22. Payment terms under this Agreement shall be in accordance with SBVMWD's and SGPWA's respective Water Supply Contracts.

## **LIABILITY**

23. SBVMWD and SGPWA agree to defend and hold DWR, its officers, employees, and agents harmless from any direct or indirect loss, liability, lawsuit, cause of action, judgment, or claim, and shall indemnify DWR, its officers, employees, and agents from all lawsuits, costs, damages, judgments, attorneys' fees, and liabilities that DWR, its officers, employees, and agents incur as a result of this Agreement, except to the extent resulting from the sole negligence or willful misconduct of DWR, its officers, employees, and agents.

## **DISPUTE RESOLUTION**

24. In the event of dispute regarding interpretation or implementation of this Agreement, the Director of DWR or his/her authorized representative, and general manager(s) of SBVMWD and SGPWA or authorized representative(s) of SBVMWD and SGPWA, shall endeavor to resolve the dispute by meeting within 30 days after the request of a Party. If the dispute remains unresolved, the Parties shall use the services of a mutually acceptable consultant in an effort to resolve the dispute. Parties involved in the dispute shall share the fees and expenses of the consultant equally. If a consultant cannot be agreed upon, or if the consultant's recommendations are not acceptable to the Parties, and unless the Parties otherwise agree, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy including, but not limited to, injunctive and other equitable relief.

## **ASSIGNMENT OF AGREEMENT**

25. Without the prior written consent of DWR, SBVMWD, and SGPWA, this Agreement is not assignable by SBVMWD or SGPWA in whole or in part.

## **PARAGRAPH HEADINGS**

26. The paragraph headings of this Agreement are for the convenience of the Parties and shall not be considered to limit, expand, or define the contents of the respective paragraphs.

## **OPINION AND DETERMINATION**

27. Where the terms of this Agreement provide for actions to be based upon the opinion, judgment, approval, review, or determination of any party, such terms are to be construed as providing that such opinion, judgment, approval, review, or determination be reasonable.

## **MODIFICATION OF AGREEMENT**

28. No modification of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties to this Agreement.

## **SIGNATURE CLAUSE**

29. The signatories represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign. A copy of any resolution or other documentation authorizing SBVMWD and SGPWA to enter into this Agreement, if such resolution or authorization is required, shall be provided to DWR before the execution of this Agreement.

## **EXECUTION**

30. The Parties agree that this Agreement will be executed using DocuSign by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature.
31. All Parties will receive an executed copy of this Agreement via DocuSign after all Parties have signed.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form  
and Sufficiency

STATE OF CALIFORNIA DEPARTMENT  
OF WATER RESOURCES

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Ann K. B. Carroll  
General Counsel  
Department of Water Resources

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John Yarbrough  
Deputy Director  
State Water Project

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Date

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Date

SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT

SAN GORGONIO PASS WATER  
AGENCY

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Name

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Name

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Title

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Title

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Date

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Date

Attachment B

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

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AMENDMENT NO. 21 TO THE WATER SUPPLY CONTRACT  
BETWEEN  
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA  
AND  
SAN GORGONIO PASS WATER AGENCY

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SWP #25008

THIS AMENDMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_,  
pursuant to the provisions of the California Water Resources Development Bond Act,  
the Central Valley Project Act, and other applicable laws of the State of California,  
between the State of California, acting by and through its Department of Water  
Resources, hereinafter referred to as the "State", and San Gorgonio Pass Water  
Agency, hereinafter referred to as the "Agency." The State and the Agency may be  
referred to individually as "Party," or collectively as "Parties."

## RECITALS

- A. On November 16, 1962, the State and the Agency entered into and subsequently amended a water supply contract, providing that the State shall supply certain quantities of water to the Agency and providing that the Agency shall make certain payments to the State, and setting forth the terms and conditions of such supply and such payments (herein referred to as the "Agency's Water Supply Contract").
- B. On August 20, 1996, the State, the Agency, and San Bernardino Valley Municipal Water District (San Bernardino) entered into an Agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction]," herein referred to as the "1996 Participation Agreement," to improve existing water conveyance facilities and to construct new facilities to extend the State Water Project (SWP) through San Bernardino's service area to the Agency's service area, known as the "East Branch Extension," in two phases, Phase I and Phase II.
- C. On March 27, 1997, the State and the Agency, via Amendment No. 15 to the Agency's Water Supply Contract, agreed to participate together in the new conveyance and pumping facilities of the East Branch Extension (EBX) by, among other provisions, adding Article 59 – East Branch Extension Facilities to the Agency's Water Supply Contract, which defined the "East Branch Extension Facilities" and incorporated financial provisions for payments to be made by the Agency to the State for those facilities, including the Agency's obligation to return to the State an amount equal to all capital costs and financing costs allocated to the Agency which the State incurs for the construction of East Branch Extension Facilities.
- D. On July 14, 1998, the State, the Agency, and San Bernardino entered into an Agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities," herein referred to as the "1998 Capacity Rights Agreement," which provided for the assignment of the Agency's and San Bernardino's capacity rights in San Bernardino's water conveyance facilities to the State to be used as part of the EBX and granted to the State access rights to those water conveyance facilities.
- E. On August 20, 1999, the State, the Agency, and San Bernardino entered into "Amendment 1 to California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction] and to California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities," herein referred to as the "1999 Amendment," to amend the 1996 Participation Agreement and the 1998 Capacity Rights Agreement.

- F. The 1999 Amendment added certain additional facilities to the EBX and redefined EBX Repayment Reaches, resulting in the current definition of Repayment Reaches 2A, 2B, and 2C of EBX Phase I representing a branch of SWP water conveyance facilities parallel with and connecting to the extents of EBX Phase II Repayment Reaches 2D and 2E, as shown in Exhibit A to the 1999 Amendment.
- G. The 1999 Amendment provided that the State shall construct improvements to San Bernardino's existing Greenspot Pump Station and certain associated facilities within EBX Phase I to increase the efficiency of delivering water through these facilities. The 1999 Amendment also added Paragraph 4d to the 1996 Participation Agreement, which provided that San Bernardino agrees to allow the State to deliver SWP water through the improved Greenspot Pump Station and associated facilities until EBX Phase II facilities are completed and in operation.
- H. In 2017, Reaches 2D and 2E of the EBX Phase II became operational, including the newly constructed Citrus Reservoir and Citrus Pump Station.
- I. On October 16, 2018, the Agency and San Bernardino submitted a letter to the State requesting that the State evaluate the costs for the State's improvements to the Greenspot Pump Station and associated facilities within EBX Reaches 2A, 2B, and 2C for repayment by San Bernardino to allow San Bernardino to begin the "buyback" process of these facilities, pursuant to the 1999 Amendment.
- J. After EBX Phase II became operational, EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated facilities, have largely become surplus SWP facilities, and therefore the State agrees to relinquish the State's capacity rights in these facilities and to remove EBX Reaches 2A, 2B, and 2C from the list of SWP facilities.
- K. The State and the District also desire to update the District's Water Supply Contract to replace occurrences of "Mentone Reservoir" and "Mentone Pump Station" with "Citrus Reservoir" and "Citrus Pump Station," respectively.
- L. The State and the Agency also desire to make certain other changes and additions to the Agency's Water Supply Contract, while otherwise continuing the Agency's Water Supply Contract in full force and effect.
- M. The State and San Bernardino, contemporaneously with the execution of this Amendment, plan to enter into "Amendment No. 20 to the Water Supply Contract between the Department of Water Resources of the State of California and San Bernardino Valley Municipal Water District," which is substantially similar to this Amendment.
- N. The State and the Agency agree that several other agreements and amendments are needed to implement the State's relinquishment of its rights and obligations for EBX Reaches 2A, 2B, and 2C, and the removal of named facilities within

those Reaches from the list of SWP facilities, including but not limited to an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures," and the Parties intend to execute these agreements and other documents as a package of agreements contemporaneously with the execution of this Amendment.

NOW THEREFORE, IT IS MUTUALLY AGREED, as follows:

1. The "East Branch Extension Phase I" and "East Branch Extension Phase II" portions of Table G in Article 23(c) of the Agency's Water Supply Contract are amended to read:

<u>Aqueduct Reach</u>	<u>Major Features of Reach</u>
<b>East Branch Extension Phase I</b>	
Devil Canyon Powerplant Afterbay to Junction, Foothill Pipeline near Cone Camp Road	Foothill Pipeline
Junction, Foothill Pipeline near Cone Camp Road to Crafton Hills Pump Station  (These aqueduct reaches were part of the State Water Project East Branch Extension Facilities from the effective date of Amendment No. 15 to the Agency's Water Supply Contract through the effective date of Amendment No. 20 to the Agency's Water Supply Contract)	Foothill Pipeline, SARC Pipeline, Greenspot Pump Station Annex, Morton Canyon Pipeline, Greenspot Pipelines  (These major features of the aqueduct reaches were part of the State Water Project East Branch Extension Facilities from the effective date of Amendment No. 15 to the Agency's Water Supply Contract through the effective date of Amendment No. 20 to the Agency's Water Supply Contract)
Crafton Hills Pump Station to Garden Air Creek, south of San Bernardino-Riverside County Line	Crafton Hills Pump Station, Crafton Hills Pipeline, Bryant Pipeline

Garden Air Creek to Terminus at Noble Creek	Singleton Pipeline, Cherry Valley Pump Station, Noble Creek Pipeline
<b><u>East Branch Extension Phase II</u></b>	
Devil Canyon Powerplant Afterbay to Junction, Foothill Pipeline near Cone Camp Road	Foothill Pipeline
Junction, Foothill Pipeline near Cone Camp Road to Citrus Pump Station	South leg of Mentone, Connector Pipeline, Citrus Reservoir
Citrus Pump Station to Crafton Hills Pump Station	Citrus Pump Station, East leg of Mentone, Connector Pipeline
Crafton Hills Pump Station to Garden Air Creek, south of San Bernardino-Riverside County Line	Crafton Hills Pump Station, Crafton Hills Pipeline, Bryant Pipeline
Garden Air Creek to Terminus at Noble Creek	Singleton Pipeline, Cherry Valley Pump Station, Noble Creek Pipeline

2. Subdivision (c) is added to Article 59 of the Agency's Water Supply Contract to read as follows:

Notwithstanding the provisions of Article 11, measuring devices and equipment to be installed in any delivery structure pursuant to Article 10 for delivery of project water to the Agency from the East Branch Extension Facilities may be acquired, installed, maintained, and operated by the Agency, subject to the State's prior written approval. Such measuring devices and equipment shall be installed under the supervision of the State and shall be examined and tested by the State upon installation to ensure their accuracy. The State may request the Agency to upgrade or replace such measuring devices and equipment to ensure accurate measurements. The Agency shall examine, test, and service such measuring devices and equipment regularly to ensure their accuracy, shall keep and maintain accurate and complete measurements and records therefrom, and shall promptly provide all such measurements and records to the State. At any time or times, the State and any other contractor may inspect such devices and equipment and the measurements and records taken therefrom. Provisions of Article 11 shall apply to

all measuring devices and equipment acquired and installed by the State.

3. This Amendment shall become effective upon execution by the Parties; provided that this Amendment shall be effective only if both Amendment No. 20 to San Bernardino Valley Municipal Water District's Water Supply Contract and an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures" become effective.
4. The Parties agree to accept electronic signatures generated using DocuSign as original signatures.
5. Except as amended herein, all other provisions of the Agency's Water Supply Contract remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this amendment on the date first above written.

Approved as to Legal Form  
and Sufficiency:

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Ann K. B. Carroll  
General Counsel  
Department of Water Resources

Date

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

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Karla A. Nemeth  
Director

Date

SAN GORGONIO PASS WATER  
AGENCY

---

Name

---

Title

---

Date

Attachment C

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

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AMENDMENT NO. 2  
TO  
CALIFORNIA AQUEDUCT EAST BRANCH EXTENSION  
TO SAN GORGONIO PASS AGREEMENT  
TO ASSIGN CAPACITY RIGHTS  
AND RIGHT OF WAY IN EXISTING FACILITIES

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THIS AMENDMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_,  
pursuant to the provisions of the California Water Resources Development Bond Act,  
the Central Valley Project Act, and other applicable laws of the State of California,  
between the State of California, acting by and through its Department of Water  
Resources, hereinafter referred to as the “Department”, San Bernardino Valley  
Municipal Water District, hereinafter referred to as “SBVMWD”, and San Gorgonio Pass  
Water Agency, hereinafter referred to as “SGPWA.” The Department, SBVMWD, and  
SGPWA may be referred to individually as “Party” or collectively as “Parties.”

## RECITALS

- A. The Department, SBVMWD, and SGPWA have entered into and subsequently amended long-term water supply contracts providing that the Department shall supply certain quantities of water to SBVMWD and SGPWA and providing that SBVMWD and SGPWA shall make certain payments to the Department, and setting forth the terms and conditions of such supply and such payments (herein referred to as "SBVMWD's Water Supply Contract" and "SGPWA's Water Supply Contract," respectively).
- B. On August 20, 1996, the Parties have entered into an agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction]," herein referred to as the "1996 Participation Agreement," to improve existing water conveyance facilities and to construct new facilities to extend the State Water Project (SWP) through SBVMWD's service area to SGPWA's service area, known as the "East Branch Extension," in two phases, Phase I and Phase II.
- C. On July 14, 1998, the Parties entered into an Agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities," herein referred to as the "1998 Capacity Rights Agreement," which provided for the assignment of SBVMWD's and SGPWA's capacity rights in SBVMWD's water conveyance facilities to the Department to be used as part of the East Branch Extension (EBX) and granted to the Department access rights to those water conveyance facilities.
- D. On August 20, 1999, the Parties entered into "Amendment 1 to California Aqueduct East Branch Extension to San Gorgonio Pass Participation Agreement [Final Design and Construction] and to California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities," herein referred to as the "1999 Amendment," to amend the 1996 Participation Agreement and 1998 Capacity Rights Agreement.
- E. The 1999 Amendment added certain additional facilities to the EBX and redefined EBX Repayment Reaches, resulting in the current definition of Repayment Reaches 2A, 2B, and 2C of EBX Phase I representing a branch of SWP water conveyance facilities parallel with and connecting to the extents of EBX Phase II Repayment Reaches 2D and 2E, as shown in Exhibit A to the 1999 Amendment.
- F. The 1999 Amendment provided that the Department shall construct improvements to SBVMWD's existing Greenspot Pump Station and certain associated facilities within EBX Phase I to increase the efficiency of delivering water through these facilities. The 1999 Amendment also added Paragraph 4d to the 1996 Participation Agreement which provided that SBVMWD agrees to allow the Department to deliver SWP water through the improved Greenspot Pump

Station and associated facilities until EBX Phase II facilities are completed and in operation.

- G. On December 29, 2014, the Parties have entered into an agreement titled “Joint Exercise of Powers Agreement Among the State of California, Department of Water Resources, the San Bernardino Valley Municipal Water District, and the San Gorgonio Pass Water Agency Relating to the Operation and Maintenance of the East Branch Extension,” to provide for the Parties’ respective rights and obligations related to the operations and maintenance (O&M) of the EBX facilities, herein referred to as the “EBX O&M Joint Exercise of Powers Agreement.”
- H. In 2017, Reaches 2D and 2E of EBX Phase II became operational.
- I. On June 25, 2020, as a result of completion of the EBX Phase II facilities, SBVMWD and SGPWA entered into the “Fourth Joint Facilities Agreement Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency,” which superseded the previous Joint Facilities Agreements and formalized and finalized the terms and conditions regarding certain capacity rights and payment obligations among SBVMWD and SGPWA in the local conveyance facilities utilized to deliver SWP water to SBVMWD and SGPWA.
- J. After EBX Phase II became operational, EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated facilities, have largely become surplus SWP facilities, and therefore the Department agrees to relinquish the Department’s capacity rights in these facilities and to remove EBX Reaches 2A, 2B, and 2C from the list of SWP facilities.
- K. The Parties desire to amend the 1998 Capacity Rights Agreement to document the Department’s relinquishment of its capacity rights for the EBX Reaches 2A, 2B, and 2C.
- L. The Department, SBVMWD, and SGPWA, concurrent with this Amendment, intend to amend SBVMWD’s and SGPWA’s respective Water Supply Contracts to remove EBX Reaches 2A, 2B, and 2C from the list of SWP facilities.
- M. The Department, SBVMWD, and SGPWA desire that, after execution of this Amendment, responsibility for control, carriage, handling, use, disposal, and distribution of water through Reaches 2A, 2B, and 2C shall belong to SBVMWD and SGPWA, as they may agree.
- N. The Department, SBVMWD, and SGPWA intend that the Department continue to utilize the assigned capacity rights that remain part of the EBX within the SWP facilities, after EBX Reaches 2A, 2B, and 2C are removed from the list of SWP facilities, for conveyance and delivery of SWP water to SBVMWD and SGPWA.
- O. The Department, SBVMWD, and SGPWA agree that, in addition to this Amendment, several other agreements and amendments are needed to

implement the Department's relinquishment of its rights and obligations for EBX Reaches 2A, 2B, and 2C, and the removal of named facilities within those Reaches from the list of SWP facilities, including but not limited to an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures," and the Parties intend to execute these agreements and other documents as a package of agreements contemporaneously with the execution of this Amendment.

NOW THEREFORE, IT IS MUTUALLY AGREED, that the agreement titled "California Aqueduct East Branch Extension to San Gorgonio Pass Agreement to Assign Capacity Rights and Right of Way in Existing Facilities" shall be amended as follows:

1. Paragraph 1(i) is amended to read:

"PROJECT WATER" shall have the meaning as defined in SBVMWD's and SGPWA's respective Water Supply Contracts.

2. Paragraph 1(j) is inserted to read:

"THIRD JOINT FACILITIES AGREEMENT" shall mean the "Third Joint Facilities Agreement Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency" entered into between SBVMWD and SGPWA on February 17, 2015.

3. Paragraph 1(k) is inserted to read:

"FOURTH JOINT FACILITIES AGREEMENT" shall mean the "Fourth Joint Facilities Agreement Between San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency" entered into between SBVMWD and SGPWA on June 25, 2020. The Fourth Joint Facilities Agreement has superseded the First, Second, and Third Joint Facilities Agreements. Any references to the "First and Second Joint Facilities Agreements" in this agreement shall be replaced with references to "the Fourth Joint Facilities Agreement."

4. Paragraph 11 is amended to read:

SBVMWD shall convey fee title to the site for the Crafton Hills Pumping Plant to the Department.

5. Paragraph 13 is amended to read:

SBVMWD shall not require any payment for the assignment of and use of capacity

under this agreement, nor for the transfer of land for the pumping plant described in paragraph 11. Charges for O&M costs shall be addressed in the O&M Agreement.

6. Exhibit A is replaced with a revised Exhibit A, as provided at the end of this Amendment.

The Parties agree to accept electronic signatures generated using DocuSign as original signatures. This Amendment shall become effective upon execution by the Parties; provided that this Amendment shall be effective only if an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures" becomes effective.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first above written.

Approved as to Legal Form  
and Sufficiency:

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

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Ann K. B. Carroll  
General Counsel  
Department of Water Resources

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John Yarbrough  
Deputy Director  
State Water Project

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Date

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Date

SAN GORGONIO PASS WATER  
AGENCY

SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT

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Name

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Name

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Title

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Title

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Date

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Date

EAST BRANCH EXTENSION - PHASE 1  
AGREEMENT TO ASSIGN CAPACITY RIGHTS AND RIGHT OF WAY IN EXISTING FACILITIES

EXHIBIT A  
SHEET 1 OF 3  
SBVMWD WATER CONVEYANCE FACILITIES and CAPACITIES

(a) PIPELINE SEGMENT NUMBER	(b) WATER CONVEYANCE FACILITY NAME	(c) SEGMENT BEGINNING STATION	(d) SEGMENT ENDING STATION	(e) SEGMENT LENGTH (feet)	(f) PIPELINE SIZE (inch)	(g) PIPELINE CAPACITY (cfs)	CAPACITY ASSIGNED TO THE DEPARTMENT		(j) NOTES
							(h) SBVMWD (cfs)	(i) SGPWA (cfs)	
1	SBVMWD TURNOUT	38+66	45+62	700	72	288	224	64	Note 1
2	FOOTHILL, PHASE 1	9+98	228+59	21,860	75	288	224	64	Note 2
3	FOOTHILL, PHASE 2	235+34	745+59	56,317	78	288	224	64	--

EAST BRANCH EXTENSION - PHASE 1  
AGREEMENT TO ASSIGN CAPACITY RIGHTS AND RIGHT OF WAY IN EXISTING FACILITIES

EXHIBIT A  
SHEET 2 OF 3  
SBVMWD WATER CONVEYANCE FACILITIES and CAPACITIES

EXPLANATION of COLUMNS

- (a): Pipeline Segment Number is arbitrary and consecutive number. Segment is used to distinguish from reach used in other documents.
- (b): Water Conveyance Facility Name is the local name.
- (c): Segment Beginning Station is from pipeline As Built drawing, or from design drawings, and is rounded to nearest foot.
- (d): Segment Ending Station is from pipeline As Built drawings, or from design drawings, and is rounded to nearest foot.
- (e): Segment Length is approximate length from stationing, not accounting for equations, or for elevation differences and is rounded to nearest 10 feet.
- (f): Pipeline Size is nominal inside diameter, inches.
- (g): Pipeline Capacity, cfs, is as agreed.
- (h): SBVMWD Capacity Transferred to the Department as agreed.
- (i): SGPWA Capacity Transferred to the Department as agreed which is its capacity in these pipelines under the currently effective Joint Facilities Agreement.
- (j): Notes are continued on sheet 3.

EAST BRANCH EXTENSION - PHASE 1  
AGREEMENT TO ASSIGN CAPACITY RIGHTS AND RIGHT OF WAY IN EXISTING FACILITIES  
EXHIBIT A  
SHEET 3 OF 3  
SBVMWD WATER CONVEYANCE FACILITIES and CAPACITIES  
NOTES

Note 1: SBVMWD Turnout is part of Devil Canyon Powerplant works. Turnout is at Devil Canyon First Afterbay. SBVMWD Turnout Station 45+62 = Foothill Phase 1 Station 9+98.

Note 2: Foothill Phase 1 Station 228+59 = Foothill Phase 2 Station 235+34.

Attachment D

Contract #4600010814

Exhibit A – Attachment 1: Revised \_\_\_\_\_

Operation and Maintenance Duties for the East Branch Extension  
to be Accomplished Cooperatively by the  
Department of Water Resources (DWR), the  
San Bernardino Valley Municipal Water District (SBWMWD), And the  
San Gorgonio Pass Water Agency (SGPWA)

By signing below, the authorized representatives of the California Department of Water Resources, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency (collectively referred to as "Parties") approve revisions to "Exhibit A – Attachment 1" to the Joint Exercise of Powers Agreement among the State of California, Department of Water Resources, the San Bernardino Valley Municipal Water District, and the San Gorgonio Pass Water Agency Relating to the Operation and Maintenance of the East Branch Extension, dated December 29, 2014, Contract No. 4600010814. The revised "Exhibit A – Attachment 1" attached hereto reflects the transfer of EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated facilities, from DWR to SBWMWD, and shall become effective when all Parties have signed; provided that these revisions shall be effective only if an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures" becomes effective.

CALIFORNIA DEPARTMENT  
OF WATER RESOURCES

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Name

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Title

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Date

SAN BERNARDINO VALLEY  
MUNICIPAL WATER DISTRICT

SAN GORGONIO PASS  
WATER AGENCY

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Name

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Name

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Title

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Title

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Date

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Date

Operation and Maintenance Duties  
for the East Branch Extension  
to be Accomplished Cooperatively by the  
Department of Water Resources (DWR), the  
San Bernardino Valley Municipal Water District (SBWMWD), And the  
San Gorgonio Pass Water Agency (SGPWA) – Revised \_\_\_\_\_

**1. EAST BRANCH EXTENSION OPERATIONS:**

- a. SBVMWD and SGPWA shall be responsible to operate the following sites, structures, appurtenances, and improvements:
  - i. Citrus, Crafton Hills, and Cherry Valley Pump Stations, surge riser, air chambers, switchyards, forebay tanks, inlet and discharge piping, buildings, valve vaults, meters, and other associated pump station appurtenances and improvements.
  - ii. Mentone Pipeline, Yucaipa Connector Pipeline, Crafton Hills Pipeline, Bryant Street Pipeline, Singleton and Noble Creek Pipelines, pipeline blow-offs, air and vacuum valves, vaults, and other associated pipeline appurtenances and improvements.
  - iii. Citrus and Crafton Hills reservoirs, reservoir control buildings, reservoir inlet and outlet works, spillways, and other associated appurtenances and improvements.
  - iv. Carter Street and Garden Air Creek Valve Facilities, control buildings, valve vaults, meters, and other associated appurtenances and improvements.
  - v. Fiber Optic Cable and other associated appurtenances such as but not limited to splice enclosures, fiber patch panels, fiber attenuators, and patch cables.
  - vi. Cathodic protection system for the pipelines.
  - vii. Yucaipa Pipeline Intertie, Foothill Pipeline Intertie, Greenspot Pipeline Intertie, Yucaipa Lakes turnout, Little San Gorgonio Creek turnout, and North Noble Creek turnout.
  - viii. Supervisory Control and Data Acquisition (SCADA), Plant Control Equipment and Communications Systems which includes Network Equipment, Multiplexers, transceivers, and DC Power Systems.

- ix. Citrus orchard surrounding the Citrus Reservoir and pumping plant.
- b. Additionally, SBVMWD and SGPWA shall be responsible for the following tasks:
  - i. Water scheduling, meter reading, and billing for all participants and recipients of water downstream of the inlet to the Foothill Pipeline at the Devil Canyon Powerplant (1<sup>st</sup>) Afterbay.
  - ii. Execution of water movements between facilities and other agencies. These activities include: starting, stopping, and monitoring of pumping units, dewatering and filling of pipelines when such collaboration is feasible, monitoring of plant systems, and reporting equipment problems (Trouble Calls) to the DWR Devil Canyon Power Plant Operator at (661)944-8760.
  - iii. Water quality sampling, testing, and distribution of data for the EBX.
  - iv. Environmental monitoring, erosion control, mitigation, and regulatory compliance downstream of the inlet to the Foothill Pipeline.
  - v. Daily visual monitoring of Citrus Reservoir, Crafton Hills Reservoir, reservoir embankments, and appurtenant structures. Maintenance of records of daily monitoring. Immediate notification to the Southern Field Division ACC at (661) 944-8600 of any abnormal conditions observed. Immediate notification to the Southern Field Division ACC at (661) 944-8600 and the lead SWP Dam Safety Engineer at (916) 902-6921 and (916) 820-7837 of any abnormal conditions observed at reservoirs under dam safety regulatory authority (e.g. Crafton Hills Reservoir). Abnormal condition is defined as any condition that deviates from normally observed and expected conditions or could be considered a threat to the facility's structural integrity.
  - vi. Adhering to requirements as specified in the SWP Security Instructions.
  - vii. Patrol of EBX property and rights of way, and taking appropriate actions to prevent and/or suspend unauthorized encroachments, including notification to DWR and other appropriate authorities.

- viii. Adhering to policies and procedures to meet required NERC-WECC Regulatory Compliance.
- ix. Conduct Section 13.f.3 for NERC-WECC Regulatory Compliance.

c. DWR shall be responsible for the following tasks:

- i. Setting standards for Security of Critical Infrastructure, and auditing such standards, as to:
  - a. NERC and WECC criteria as set forth by both CIP and O&P Standard/Requirement criteria current and for future revised versions.
  - b. Meeting both CIP and O&P Security requirements of such facilities/plants and updating pertinent and associated documentation
  - c. Being consistent with all SWP related facilities for physical security as to access controls, guards, physical intrusion detection, fencing, electronic/CCTV Surveillance, monitoring station(s), and agreements with local and state/federal law enforcement.
  - d. Developing SWP Security Instructions for such facilities/plants
  - e. Developing Emergency Notification call list and flow chart
  - f. Meeting other regulatory requirements of the State as they may arise.

2. EAST BRANCH EXTENSION MAINTENANCE:

- a. DWR shall be responsible for the following maintenance tasks:
  - i. Isolation of equipment to allow maintenance work, excluding the collaboration of draining of pipelines cited in 1.b.ii and facilities being isolated. (Safe Clearance Procedures – DWR Project O&M Instruction OP-2).
  - ii. Maintenance of pumping units and associated water conveyance systems. Maintenance and repair shall include the following:

- a. All pumps, motors, and drives.
- b. All piping, valves, and piping appurtenances.
- c. Electrical components associated with the pumps, motors, and drives, including the switchyard equipment, switchgear, transformers, and uninterruptable power supplies (UPS).
- d. Hydraulic power units and associated systems.
- e. Emergency power generators.
- f. Compressed air, compressed carbon dioxide including maintenance and testing of fire alarm and suppression systems and equipment, and all other unit and plant systems.

- iii. Monitor, maintain, and schedule periodic preventive maintenance on the Plant Control System hardware, firmware, and software programmable devices within the EBX plants. DWR will be responsible to prepare documents and records if applicable, in compliance with mandated Regulatory standards for these systems. DWR will also provision and store Programmable Logic Controller (PLC) assembly spare parts for these systems onsite for use by DWR, SBVMWD, and/or SGPWA maintenance personnel responding to equipment outages.
- iv. Maintenance of the microwave equipment and towers in conjunction with the California Governor's Office of Emergency Services Public Safety Communications.
- v. Monitoring and Maintenance of the EBX Systems Operations Network (routers, switches, hubs, firewalls, and associated equipment) equipment located at Devil Canyon Power Plant. DWR will be responsible to prepare documents and records, if applicable, in compliance with mandated Regulatory standards for these systems.
- vi. Monitoring and inspection of EBX dams and appurtenant structures to maintain:
  - a. Compliance with SWP Dam Safety Program requirements

- b. Compliance with Division of Safety of Dams' regulatory requirements
  - c. Compliance with FERC Dam Safety regulatory requirements as applicable.
- b. SBVMWD and SGPWA shall be responsible for the following maintenance tasks:
  - i. Maintenance of EBX buildings, vault hatches, vault vent pipes, fences, walls and grounds around all facilities, access roads, and permanent right of way downstream of the inlet to the Foothill Pipeline. Maintenance and repair shall include the following facilities:
    - a. All buildings, including the restroom facilities, lights, HVAC units, doors, and windows. DWR shall be notified (SFD ACC) on any vendor call outs or other maintenance needs for all HVAC systems.
    - b. Vault access hatches and external vent pipe.
    - c. Exclusionary fencing, walls, and gates.
    - d. Site lighting.
    - e. Site hardscape and landscaping.
  - ii. Maintenance of all SBVMWD-owned pipelines, buildings, pump stations, vaults, and associated water conveyance systems operated in conjunction with the EBX system.
  - iii. Schedule periodic preventive maintenance on the software programmable devices within the turnout and similar structures as well as provisioning spare parts for use by SBVMWD and/or SGPWA maintenance personnel.
  - iv. Monitor system and maintenance of the fiber optic cable, T1 transceivers, Ethernet fiber optic transceivers, multiplexer systems, DC Power Systems, Voice Systems, and all Network Equipment (routers, switches, hubs, and firewalls) excluding the Operations Network Equipment located at Devil Canyon Power Plant. Responsible to prepare documents and records if applicable, in compliance with mandated Regulatory standards for these systems.

- v. Maintenance and management of the citrus orchard surrounding the Citrus Reservoir and pumping plant.

### **3. FACILITIES AND RIGHT OF WAY SECURITY**

- a. SBVMWD and SGPWA shall make reasonable efforts to protect the EBX facilities and rights of way from public trespass, vandalism, and unauthorized encroachments. In so doing SBVMWD and SGPWA shall employ all applicable security measures that are employed throughout the SWP. These measures may include the use of contracted services for regularly scheduled patrols, regular communication with the DWR O&M Security Committee, and appropriate signage.
- b. SBVMWD and SGPWA shall arrange through contract for the above-mentioned services for regularly scheduled security patrols.
- c. SBVMWD and SGPWA shall arrange through contract for the marking of the underground utilities of the EBX system associated with Underground Service Alerts. As the facility owner, DWR shall be notified and made aware of any EBX system request for marking of underground utilities prior to any digging commencing.

### **4. SECURITY**

- a. Network Security
  - i. All SBVMWD and SGPWA operation and maintenance use of the Supervisory Control and SCADA Communications Systems (Operations Network and Multiplexer Systems) as described in Section 1 and 2 above shall conform to DWR's SWP Security Program Instructions No. SP-5, any subsequent updates which will be supplied by DWR in a timely manner, and any other applicable Regulatory standards. In instances of conflict, the more stringent of the two requirements prevails. To that end, SBVMWD and SGPWA shall not change or add user permissions, workstation connections, internet access, personal computer software, or other service in a manner that would reduce or adversely affect network security or in conflict with policy or Regulatory requirements.
- b. Plant and Pipeline Structures Security
  - i. DWR will be responsible for operation and maintenance of security systems at Citrus, Crafton Hills, and Cherry Valley

pumping plants, Carter Street valve vaults, and Garden Air Creek Valve vaults.

5. ENGINEERING DEVELOPMENT FOR CONTROL AND COMMUNICATIONS SYSTEMS

a. Control Systems

- i. DWR shall manage Plant Control System microprocessor based hardware and firmware and provide engineering for software development and maintenance for the programmable devices within the pump stations and appurtenant facilities that implement switchyard, valve, hydraulic power unit, pump motors, variable frequency drives, plant and unit protection, and supervisory control as well as emergency shutdown, and human-machine interfacing, in accordance with practices established by DWR for State Water Project facilities. Normally this will mean that Southern Field Division will generate Work Requests to provide minor changes and generate Field Change Modification Transmittals to coordinate major changes. DWR will assign resources to accomplish approved changes which may involve DWR, SBVMWD, and/or SGPWA resources as agreed appropriate.
- ii. When SBVMWD and/or SGPWA provide engineering development services, SBVMWD and/or SGPWA, as applicable, shall deliver to DWR documentation updates, including software documentation (i.e. object files, source files, configuration files), in a format that provides the means to rebuild or replace any of the programmable devices referenced in the preceding paragraph to the latest approved condition of operation. Proposed changes impacting the Plant Control System equipment shall be reviewed by DWR staff prior to implementation and managed in accordance with practices established by DWR for State Water Project facilities. Where new or extended software licenses are incorporated into changes performed by SBVMWD and/or SGPWA, SBVMWD and/or SGPWA, as applicable, shall also furnish current legal software licenses to DWR.
- iii. SBVMWD or SGPWA, as appropriate, shall be responsible for engineering changes for programmable devices within EBX turnouts and similar structures and at SBVMWD and SGPWA headquarters.

b. Communications

- i. Proposed changes impacting the fiber optic cable, multiplexer systems, Operations Network, or the DC Power System shall be reviewed by DWR communications staff prior to implementation and managed in accordance with practices established by DWR for State Water Project facilities and in alignment with applicable Regulatory standards. DWR will assign resources to accomplish approved changes which may involve DWR, SBVMWD, and/or SGPWA resources as agreed upon by all parties. Priorities and timeframes for changes will be incorporated into the SWP Annual Maintenance Schedule. Any proposed change requests submitted after the SWP Annual Maintenance Schedule is published will require priority and timeframe agreement between DWR and SBVMWD and/or SGPWA.
- ii. When SBVMWD and/or SGPWA provide engineering development services, SBVMWD and/or SGPWA, as applicable, shall deliver to DWR documentation updates, including software documentation (i.e. object files, source files, configuration files) in a format that provides the means to rebuild or replace any of the equipment or devices referenced in the preceding paragraph. Where new or extended software licenses are incorporated into changes performed by SBVMWD and/or SGPWA, SBVMWD and/or SGPWA, as applicable, shall also furnish current legal software licenses to DWR.

Attachment E

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

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MULTI-YEAR AGREEMENT BETWEEN  
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA,  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT,  
AND SAN GORGONIO PASS WATER AGENCY  
FOR  
INTRODUCTION AND CONVEYANCE OF NON-PROJECT WATER  
IN THE STATE WATER PROJECT FACILITIES

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SWP #25009

THIS AGREEMENT is made pursuant to the provisions of the California Water Resources Development Bond Act, and other applicable laws of the State of California, between the Department of Water Resources of the State of California, herein referred to as "DWR," San Bernardino Valley Municipal Water District, herein referred to as "SBVMWD," and San Gorgonio Pass Water Agency, hereinafter referred to as "SGPWA." DWR, SBVMWD, and SGPWA may be referred to individually as "Party", or collectively as "Parties."

## **RECITALS**

- A. On December 30, 1960, DWR and SBVMWD entered into and subsequently amended a water supply contract providing that DWR shall supply certain quantities of water to SBVMWD and providing that SBVMWD shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payments (herein referred to as "SBVMWD's Water Supply Contract").
- B. On November 16, 1962, DWR and SGPWA entered into and subsequently amended a water supply contract providing that DWR shall supply certain quantities of water to SGPWA and providing that SGPWA shall make certain payments to DWR, and setting forth the terms and conditions of such supply and such payments (herein referred to as "SGPWA's Water Supply Contract").
- C. Before or contemporaneously with the execution of this Agreement, the Parties plan to execute a package of agreements that sets forth the terms and conditions for DWR's relinquishment of its rights and obligations for East Branch Extension (EBX) Reaches 2A, 2B, and 2C to SBVMWD and SGPWA, and the removal of those Reaches from the list of State Water Project (SWP) facilities.
- D. The Parties agree that, after the removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities and in the case of a capacity limitation or an outage of SWP conveyance facilities in EBX Reaches 2D and 2E, SBVMWD's and SGPWA's SWP water supplies may be delivered through SBVMWD's local conveyance facilities, formerly SWP EBX Reaches 2A, 2B, and 2C, between EBX Reach 1 and EBX Reach 3A.
- E. SBVMWD and SGPWA have entered into a series of Joint Facilities Agreements, with the Fourth Joint Facilities Agreement, dated June 25, 2020, being the currently effective Agreement, which, among other things, formalized and finalized the terms and conditions regarding certain capacity rights and payment obligations among SBVMWD and SGPWA in the local conveyance facilities utilized to deliver SWP water to SBVMWD and SGPWA.
- F. Pursuant to Article 13 in SBVMWD's and SGPWA's respective Water Supply Contracts, the responsibility for delivery and distribution of SWP water supplies shifts from DWR to SBVMWD or SGPWA, as appropriate, once such water has passed the delivery structures established in accordance with Article 10 of SBVMWD's and SGPWA's respective Water Supply Contracts. SBVMWD's and SGPWA's SWP Water supplies that have been delivered by DWR to SBVMWD's

and SGPWA's respective delivery structures on the EBX of the California Aqueduct for conveyance through local facilities are considered Non-Project Water if such water is subsequently reintroduced into the SWP facilities.

- G. The Parties desire to execute a long-term agreement for introduction of this Non-Project Water from SBVMWD's local conveyance facilities into EBX Reach 3A for subsequent conveyance to SBVMWD's and SGPWA's service areas using Article 55 of SBVMWD's and SGPWA'S respective Water Supply Contracts.

## **AGREEMENT**

DWR approves an introduction of Non-Project Water into the EBX of the California Aqueduct, and conveyance of this Non-Project Water to SBVMWD's and/or SGPWA's respective service areas in accordance with Article 55 of SBVMWD's and SGPWA's respective Water Supply Contracts, subject to the following terms and conditions:

### **TERM**

1. This Agreement shall become effective upon execution by all Parties; provided that this Agreement shall be effective only if an agreement titled "Agreement between the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency for Repayment of Debt Service Associated with Greenspot Pump Station and Associated Facilities, Removal of These Facilities from the List of State Water Project Facilities, and Designation of New Delivery Structures" becomes effective. This Agreement shall terminate on December 31, 2045, or upon final payments to DWR by SBVMWD and SGPWA of all costs attributable to this Agreement, whichever occurs later, unless terminated earlier pursuant to this Agreement. However, the liability, hold harmless, and indemnification obligations in this Agreement shall remain in effect until the expiration of the applicable statute of limitations, or until any claim or litigation concerning this Agreement asserted to DWR, SBVMWD, and SGPWA within the applicable statute of limitations is finally resolved, whichever occurs later. The term of this agreement may be extended upon mutual agreement by all Parties.

### **UNIQUENESS OF AGREEMENT**

2. DWR's approval under this Agreement for introduction of SBVMWD's and SGPWA's Non-Project Water into Reach 3A of the EBX of the California Aqueduct and for conveyance of this Non-Project Water to SBVMWD's and/or SGPWA's respective service areas is unique and shall not be considered a precedent for future agreements or DWR activities.

### **FIVE YEAR REVIEW**

3. Every five years, the Parties shall evaluate this Agreement, any related agreements, and any conditions related to SWP operations, water management, water quality, and applicable legal requirements. Modification based on current conditions may be proposed by any Party and, with the consent of all Parties,

may be incorporated into this Agreement as appropriate. If the Parties cannot reach an agreement, DWR shall have the right to terminate this Agreement.

## **APPROVALS**

4. The introduction and conveyance of Non-Project Water in the California Aqueduct under this Agreement shall be contingent upon, and subject to, any necessary approvals and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. SBVMWD and SGPWA shall be responsible for complying with all applicable laws and legal requirements and for securing any required consent, approvals, permits, or orders. SBVMWD and SGPWA shall furnish to DWR copies of all approvals and agreements required for introduction and conveyance of Non-Project Water under this Agreement.

## **GENERAL PROVISIONS FOR INTRODUCTION AND CONVEYANCE OF SBVMWD's AND SGPWA's NON-PROJECT WATER**

5. Through December 31, 2045, in the event of a capacity limitation or an outage of conveyance facilities in EBX Reaches 2D and 2E, DWR may deliver SBVMWD's and/or SGPWA's SWP water supplies to the Foothill Pipeline Intertie at the end of EBX Reach 1 for delivery by SBVMWD through SBVMWD's local conveyance facilities and subsequent reintroduction of such water supplies into the EBX at Greenspot Pipeline Intertie for delivery to SBVMWD's or SGPWA's respective turnout(s). SBVMWD's or SGPWA's water reintroduced into the EBX pursuant to this Agreement is considered Non-Project Water conveyed pursuant to Article 55 in SBVMWD's and SGPWA's respective Water Supply Contracts.
6. DWR may, upon notice to SBVMWD by phone or electronic mail, require SBVMWD to stop the introduction of Non-Project Water into the California Aqueduct immediately, if, in the judgment of DWR, such introduction or conveyance may result in the disruption of or damage to the SWP operations or SWP facilities, including but not limited to exceeding the maximum flow rate or degradation of water quality.

SBVMWD Point of Contact:

Wen Huang  
909-387-9223 or 909-435-8418  
WenH@sbvmwd.com

This contact information can be updated with written notice to the Parties, without the need to amend this Agreement.

7. Currently, DWR does not apply conveyance losses to DWR conveyance of Non-Project Water through SWP facilities for SWP contractors. If DWR decides to implement conveyance losses to DWR conveyance of Non-Project Water through SWP facilities for SWP contractors, the Parties agree that such losses shall apply to those deliveries made under this Agreement after DWR's decision. In that case, DWR will deliver to SBVMWD's and/or SGPWA's turnout(s) the approved amount of Non-Project Water minus applicable conveyance losses.

## **WATER DELIVERY SCHEDULES**

8. All water delivery schedules and revisions under this Agreement shall be in accordance with Article 12 of SBVMWD's and/or SGPWA's respective Water Supply Contracts.
9. DWR will accept and convey SBVMWD's and/or SGPWA's Non-Project Water introduced into the California Aqueduct under this Agreement in accordance with a schedule reviewed and approved by DWR. DWR's approval is dependent upon the times and amounts of the delivery and the overall delivery capability of the SWP. DWR shall not be obligated to convey the water at times when such delivery would adversely impact SWP operations, facilities, or other SWP contractors.
10. Pursuant to the applicable terms of the current Joint Facilities Agreement between SBVMWD and SGPWA, as may be amended or superseded, SBVMWD and SGPWA shall coordinate water delivery schedules through SBVMWD's local conveyance facilities.
11. SBVMWD and/or SGPWA shall submit monthly water delivery schedules and revised monthly schedules, if any, for introduction of Non-Project Water into the California Aqueduct for approval to the Division of Operation and Maintenance, Office of the Division Manager, Water Deliveries Reporting Unit, indicating timing and point of delivery requested under this Agreement with reference to SWP #25009. Monthly and revised monthly schedules shall be sent by electronic mail to SWP-SWDS@water.ca.gov.
12. SBVMWD and/or SGPWA shall send weekly water schedules, indicating timing and point of delivery requested with reference to SWP #25009, by electronic mail by 10:00 am, Wednesday, for the following week, Monday through Sundays to the following:

- a. Office of the Division Manager  
Water Operations Scheduling Section  
Water\_deliv\_sched@water.ca.gov
- b. Office of the Division Manager  
Power Management and Optimization Section  
POCOptimization@water.ca.gov
- c. Office of the Division Manager  
Day-Ahead Scheduling Unit  
Presched@water.ca.gov
- d. Office of the Division Manager  
Operations Reporting Unit  
OCO\_car\_reprt@water.ca.gov  
PHONE (916) 574-2677
- e. Southern Field Division  
Water Operation Section  
SFDwaterschedule@water.ca.gov

13. SBVMWD and/or SGPWA shall also notify DWR's Southern Field Division by electronic mail (SFDwaterschedule@water.ca.gov) ten days prior to the introduction of Non-Project Water into the California Aqueduct under this Agreement with weekly schedules and quantity of water with reference to SWP #25009.

## **WATER OPERATIONS**

- 14. SBVMWD shall measure the flow rate of Non-Project Water into the California Aqueduct upon initial introduction and also after any change in operation that may affect the flow rate and, as soon as practicable, send the data to DWR's Southern Field Division by electronic mail (SFDwaterschedule@water.ca.gov). The instantaneous flow rate of Non-Project Water introduced into the California Aqueduct shall be maintained by SBVMWD at a rate as uniform as practicable, unless otherwise agreed to by DWR. The introduction of Non-Project Water into the California Aqueduct under this Agreement shall not cause the flow rate in the Crafton Hills Pipeline to exceed one hundred thirty-five (135) cubic feet per second (cfs).
- 15. The timing, rate, and total quantity for the proposed schedule must receive approval from DWR's Water Operations Scheduling Section before Non-Project

Water is introduced into the California Aqueduct. If the DWR Water Operations Scheduling Section Manager determines that the introduction of Non-Project Water into the California Aqueduct under this Agreement would adversely affect SWP operations or SWP facilities, the Water Operations Scheduling Section Manager may disapprove or propose modifications to the time, rate, and/or quantity to eliminate the adverse effect.

## **WATER QUALITY**

16. The only water that can be introduced into the California Aqueduct pursuant to this Agreement is SBVMWD's and SGPWA's SWP water supplies previously delivered by DWR to the Foothill Pipeline Intertie, as described in Paragraph 5. SBVMWD shall not introduce water from any other sources under this Agreement without prior written approval from DWR and SGPWA.
17. The Parties do not anticipate any other sources of inflow or possible degradation to the water between EBX Reach 1 and Reach 3A, other than those historically observed or routine in the operation of this section of the local water conveyance facilities. As such, it is expected that the Non-Project Water reintroduced to the EBX at Reach 3A would not be materially different from the SWP water supplies delivered to the Foothill Pipeline Intertie, and therefore no actions or requirements under DWR's Water Quality Policy and Implementation Process for Acceptance of Non-Project Water into the State Water Project (Policy) should be needed.
18. If future sources of potential contamination or alternate sources of water are identified in the local conveyance facilities between EBX Reach 1 and Reach 3A, SBVMWD must notify DWR immediately, and DWR shall have the right to condition continued deliveries of water under this Agreement on compliance with the Policy and/or other applicable water quality requirements.

## **WATER DELIVERY RECORDS**

19. DWR will maintain monthly records documenting the introduction of Non-Project Water into the California Aqueduct and the conveyance of Non-Project Water under this Agreement.
20. SBVMWD shall provide DWR's Division of Operation and Maintenance with monthly records relating to water introduced into EBX Reach 3A.

## **CHARGES**

21. SBVMWD and/or SGPWA shall pay to DWR any costs incurred by DWR as a result of this Agreement. SBVMWD and/or SGPWA shall also be responsible to pay to DWR any other identified demonstrable increases in costs that would otherwise be borne by DWR or by the SWP contractors not signatory to this Agreement as a result of activities under this Agreement.
22. Payment terms under this Agreement shall be in accordance with SBVMWD's and/or SGPWA's respective Water Supply Contracts.

## **NO IMPACT**

23. This Agreement shall not be administered or interpreted in any way that would cause adverse impacts to SWP approved Table A water or to any other SWP approved water allocations, water deliveries, or SWP operations or facilities. This Agreement shall not impact the financial integrity of the SWP and shall not harm other contractors not participating in this Agreement. SBVMWD and SGPWA shall be responsible, as determined by DWR, for any adverse impacts that may result from the introduction and conveyance of Non-Project Water under this Agreement.
24. DWR retains the right to review and reconsider its approval under this Agreement, including early termination of this Agreement, if DWR determines that activities under this Agreement result in unavoidable adverse impacts to the SWP or other SWP contractors not participating in this Agreement.
25. Before DWR considers terminating this Agreement, DWR will meet with SBVMWD and SGPWA to discuss whether any modifications to operations or this Agreement could avoid such termination.
26. SBVMWD and SGPWA agree that DWR will have sole determination of whether introduction and conveyance of SBVMWD's and SGPWA's Non-Project Water adversely affects SWP operations, including but not limited to, SWP approved allocations, water storage and deliveries, compliance with environmental regulations and water rights permits, flood control, or other SWP purposes.

## **LIABILITY**

27. DWR is not responsible for the use, effects, or disposal of SBVMWD's and/or SGPWA's SWP water after it is delivered from EBX Reach 1 into SBVMWD's

local conveyance facilities. Responsibility shall be governed by Article 13 of SBVMWD's and SGPWA's respective Water Supply Contracts with responsibilities under the terms of that article shifting from DWR to SBVMWD and/or SGPWA when the water is being delivered through SBVMWD's local conveyance facilities.

28. DWR is not responsible for the use, effects, or disposal of SBVMWD's and/or SGPWA's Non-Project Water once the water is delivered to SBVMWD's and/or SGPWA's respective turnout(s) in EBX Reaches 3A through 4B. Responsibility shall be governed by Article 13 of SBVMWD's and/or SGPWA's respective Water Supply Contracts with responsibilities under the terms of that article shifting from DWR to SBVMWD and/or SGPWA when the water is delivered to their respective EBX turnout(s).
29. SBVMWD and SGPWA agree to defend and hold DWR, its officers, employees, and agents harmless from any direct or indirect loss, liability, lawsuit, cause of action, judgment, or claim, and shall indemnify DWR, its officers, employees, and agents from all lawsuits, costs, damages, judgments, attorneys' fees, and liabilities that DWR, its officers, employees, and agents incur as a result of DWR approving this Agreement or providing services under this Agreement, except to the extent resulting from the sole negligence or willful misconduct of DWR, its officers, employees, and agents.
30. If uncontrollable forces preclude DWR from delivery of water under this Agreement, either partially or completely, then DWR is relieved from the obligation to deliver the water to the extent that DWR is reasonably unable to complete the obligation due to the uncontrollable forces. Uncontrollable forces shall include, but are not limited to earthquakes, fires, tornadoes, floods, and other natural or human caused disasters. SBVMWD and SGPWA shall not be entitled to recover any administrative costs or other costs associated with delivery of water under this Agreement if uncontrollable forces preclude DWR from delivering the water.

## **DISPUTE RESOLUTION**

31. In the event of dispute regarding interpretation or implementation of this Agreement, the Director of DWR or his/her authorized representative, and general manager(s) of SBVMWD and SGPWA or authorized representative(s) of SBVMWD and SGPWA, shall endeavor to resolve the dispute by meeting within 30 days after the request of a Party. If the dispute remains unresolved, the Parties shall use the services of a mutually acceptable consultant in an effort to resolve the dispute. Parties involved in the dispute shall share the fees and

expenses of the consultant equally. If a consultant cannot be agreed upon, or if the consultant's recommendations are not acceptable to the Parties, and unless the Parties otherwise agree, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy including, but not limited to, injunctive and other equitable relief.

### **ASSIGNMENT OF AGREEMENT**

32. Without the prior written consent of DWR, SBVMWD, and SGPWA, this Agreement is not assignable by SBVMWD or SGPWA in whole or in part.

### **PARAGRAPH HEADINGS**

33. The paragraph headings of this Agreement are for the convenience of the Parties and shall not be considered to limit, expand, or define the contents of the respective paragraphs.

### **OPINION AND DETERMINATION**

34. Where the terms of this Agreement provide for actions to be based upon the opinion, judgment, approval, review, or determination of any party, such terms are to be construed as providing that such opinion, judgment, approval, review, or determination be reasonable.

### **MODIFICATION OF AGREEMENT**

35. No modification of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties to this Agreement.

### **NO MODIFICATION OF WATER SUPPLY CONTRACT**

36. This Agreement shall not be interpreted to modify the terms or conditions of SBVMWD's and SGPWA's respective Water Supply Contracts. Unless expressly provided herein, the terms and conditions of SBVMWD's and SGPWA's respective Water Supply Contracts and any future amendments apply to this Agreement.

## **SIGNATURE CLAUSE**

37. The signatories represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign. A copy of any resolution or other documentation authorizing SBVMWD and/or SGPWA to enter into this Agreement, if such resolution or authorization is required, shall be provided to DWR before the execution of this Agreement.

## **EXECUTION**

38. The Parties agree that this Agreement will be executed using DocuSign by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature.
39. All Parties will receive an executed copy of this Agreement via DocuSign after all Parties have signed.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form  
and Sufficiency

STATE OF CALIFORNIA DEPARTMENT  
OF WATER RESOURCES

---

Ann K. B. Carroll  
General Counsel  
Department of Water Resources

---

John Yarbrough  
Deputy Director  
State Water Project

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Date

---

Date

SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT

SAN GORGONIO PASS WATER  
AGENCY

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Name

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Name

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Title

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Title

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Date

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Date

Attachment F

Southern California Edison Company  
Tariff Title: Wholesale Distribution Access Tariff  
Tariff Record Title: Service Agreement No. 1407

Title Page  
FERC FPA Electric Tariff

**SERVICE AGREEMENT FOR  
WHOLESALE DISTRIBUTION SERVICE**

**Among**

**SOUTHERN CALIFORNIA EDISON COMPANY**

**And**

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

**And**

**SAN GORGONIO PASS WATER AGENCY**

**(Project: Greenspot Pumping Station – WDT2049)**

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Contract Effective Date: See Section 1  
905.1407.0  
WDT2049

Tariff Record Proposed Effective Date: xx/xx/xx  
Version Number: 0.0.0  
Option Code A

## SERVICE AGREEMENT FOR WHOLESALE DISTRIBUTION SERVICE

1. This Service Agreement, dated as of the date that Service under this Service Agreement commences under Section 4, is entered into, by and among Southern California Edison Company ("Distribution Provider"), San Bernardino Valley Municipal Water District, and San Gorgonio Pass Water Agency (collectively, the "Distribution Customer").
2. The Distribution Customer has been determined by the Distribution Provider to have a Completed Application for Distribution Service under the Tariff.
3. The Distribution Customer has provided to the Distribution Provider an Application deposit in the amount of \$"waived", in accordance with the provisions of Section 15.2 of the Tariff, if applicable.
4. Service under this Service Agreement shall commence on the later of (1) August 10, 2002, or (2) for a Wholesale Distribution Load the date on which construction of any Direct Assignment Facilities and/or Distribution System Upgrades specified in Sections 7.0 and 8.0 of the attached Specifications For Wholesale Distribution Service are completed and all additional requirements are met pursuant to Section 13.5 of the Tariff, or (3) for a Resource, the date on which construction of any facilities specified in its generator interconnection agreement are completed unless operation of the Resource is expressly permitted in the generator interconnection agreement prior to the completion of any such facilities, or (4) such other date as it is permitted to become effective by the Commission. Service under this Service Agreement shall terminate on the earliest of the following to occur: (1) the termination date of the Distribution Customer's Greenspot Pumping Station project Interconnection Facilities Agreement between Distribution Provider and Distribution Customer executed concurrently

herewith (“IFA”), or (2) the date on which Distribution Provider terminates at Distribution Provider’s option, subject to FERC acceptance, if prior to the Interconnection Facilities Completion date as defined in the IFA, the Distribution Provider learns that Distribution Customer has terminated its plan to complete and energize the Greenspot Pumping Station project.

5. The Distribution Provider agrees to provide and the Distribution Customer agrees to take and pay for Distribution Service in accordance with the provisions of the Tariff and this Service Agreement.

6. Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Distribution Provider:

Southern California Edison Company  
Transmission & Distribution  
Manager, Grid Contract Management  
P. O. Box 800  
2244 Walnut Grove Avenue  
Rosemead, California 91770  
Telephone No. (626) 302-9640  
E-mail: GridContractManagement@sce.com

Distribution Customer:

San Bernardino Valley Municipal Water District  
Attn: Heather Dyer, CEO/General Manager  
380 E. Vanderbilt Way  
San Bernardino, CA 92408  
Telephone No. (909) 387-9200  
E-mail: [heatherd@sbvmd.com](mailto:heatherd@sbvmd.com)

San Gorgonio Pass Water Agency  
Attn: Lance Eckhart, General Manager  
1210 Beaumont Ave  
Beaumont, CA 92223  
Telephone No. (951) 845-2577  
E-mail: [leckhart@sgpwa.com](mailto:leckhart@sgpwa.com)

7. The Tariff and attached Specifications For Wholesale Distribution Service are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Distribution Provider:

By:	Principal Manager, Grid Contract Development & Management	
Ayman Samaan	Title	Date

Distribution Customer:

San Bernardino Valley Municipal Water District

By:	CEO/General Manager	
Heather Dyer	Title	Date

San Gorgonio Pass Water Agency

By:	General Manager	
Lance Eckhart	Title	Date

## SPECIFICATIONS FOR WHOLESALE DISTRIBUTION SERVICE

1. Term of Transaction: See Section 4 of the Service Agreement  
Service Commencement Date: See Section 4 of the Service Agreement  
Termination Date: See Section 4 of the Service Agreement
2. For a Resource, a description of capacity and energy, a five-year forecast of monthly Generation, and quantity of Contract Demand, if any: Distribution Customer's Greenspot Pumping Station project as described in the IFA. Capacity shall be as specified in Section 6 below. Distribution Customer shall provide Distribution Provider a five-year forecast of monthly Generation.
3. Point of Receipt: The ISO Grid at Distribution Provider's 220 kV Bus at San Bernardino Substation.  
Point of Delivery: A tap to the Distribution Provider's Cardiff-Santa Ana River 3 No. 1, 33 kV distribution line.  
Receiving Party: Distribution Customer.
4. Description of Wholesale Distribution Load at the Point of Delivery (including a five year forecast of monthly load requirements): Not Applicable.
5. Interruptible Wholesale Distribution Load amount (summer and winter), location and conditions/limitations (five year forecast): Not Applicable.
6. Capacity and energy to be transmitted.
  - 6.1 For Resources:  
Generation: 4.0 MW.  
Contract Demand (if applicable):  
As-Available Charging Distribution Service: Not Applicable.

Firm Charging Distribution Service: Not Applicable.

- 6.2 For Wholesale Distribution Load, the estimated peak load for informational purposes only: Not Applicable.
7. Direct Assignment Facilities: Provided for in the IFA.
8. Distribution System Upgrades required prior to the commencement of service: Provided for in the IFA.
9. Real Power Loss Factors: Distribution Customer will compensate Distribution Provider for losses incurred at a rate of 1.82%.
10. Power Factor: The Distribution Customer is required to maintain its power factor within a range of 0.95 lagging to 0.95 leading (or, if so specified in the Service Agreement, a greater range), pursuant to Good Utility Practice. This provision recognizes that a Distribution Customer may provide reactive power support in accordance with Section 12.10 (Self Provision of Ancillary Services), of this Tariff. The operating power factor at the Point of Delivery for the Wholesale Distribution Load shall be at unity unless Distribution Customer is otherwise notified by the Distribution Provider to maintain a specified voltage schedule while operating within the power factor range as specified above.
11. Distribution Service under this Agreement will be subject to the charges detailed below, as applicable, unless the Distribution Customer is paying for Higher-of Facilities. For Distribution Customers with Charging Capacity, the payment obligation arises upon the commencement date of As-Available Charging Distribution Service or Firm Charging Distribution Service, as applicable.  
For Distribution Service to Charging Capacity from ISO Grid.
  - 11.1 Monthly Customer Charge:

11.1.1 Wholesale Distribution Load (if applicable): \$9.38 per month.

11.1.2 Charging Distribution Service (if applicable): Not Applicable.

11.2 Monthly Charge:

11.2.1 Wholesale Distribution Load (if applicable): The Demand Charge which is the product of the Demand Rate expressed as \$/kW per month and the monthly Billing Demand expressed in kW.

11.2.1.1 The Demand Rate is \$7.95/kW per month

11.2.1.2 Billing Demand is the higher of the metered demand or the

contract demand. The metered demand is the maximum hourly demand recorded in the billing period expressed in kilowatts.

The metered demand is rounded to the nearest kW. The

Distribution Provider will meter the Distribution Customer's

demand using a 15-minute interval under normal conditions. If

such demand is intermittent or subject to violent fluctuations, a

5-minute interval may be used. The contract demand is the

"maximum amount of capacity and energy to be transmitted" as

stated in Section 6 above.

11.2.2 Monthly Charge for Charging Distribution Service (if applicable):

11.2.2.1 As-Available Charging Distribution Service: Not Applicable.

Monthly Charge = Metered energy usage for the month (kWh) \*

Energy Charge Rate (\$/kWh)]

As-Available Energy Charge Rate: Per the Tariff for Service Level

Not Applicable

Crediting provisions of Section 7.2.2.3 of Attachment K apply (check one):

Yes

No

11.2.2.2 Firm Charging Distribution Service: Not Applicable.

Monthly Charge = Contract Demand \* Demand Charge Rate

Demand Charge Rate: Per the Tariff for Service Level:   

11.3 Facilities Charge: The monthly Interconnection Facilities Charge and the monthly Distribution Upgrades Charge, as provided for under the IFA.

11.4 System Impact and/or Facilities Study Charge(s) (if not otherwise set forth in Attachment I or Attachment M to the Tariff): None.

12. Letter of credit or alternative form of security to be provided and maintained by a Wholesale Distribution Load Distribution Customer pursuant to Sections 8 and 16.4 of the Tariff: Not Applicable.

13. Operating conditions and/or limitations relating to As-Available Charging Distribution Service: Not Applicable.

14. If a Distribution Customer has Charging Capacity and retail load at the same site, the meters shall be configured to meter the retail load separately from the Charging Capacity.

15. A Distribution Customer subject to CMS requirements, or its successor, will be permitted to collect, capture, and retain all data transmitted by the Distribution Provider to the Distribution Customer via a remote terminal unit (RTU). All such data retained by the Distribution Customer shall be the property of the Distribution Customer.

Attachment G

Southern California Edison Company  
Tariff Title: Rate Schedules  
Tariff Record Title: First Revised Rate Schedule FERC No. 1406

Title Page  
FERC FPA Electric Tariff

GREENSPOT PUMPING STATION

INTERCONNECTION FACILITIES AGREEMENT

AMONG

SOUTHERN CALIFORNIA EDISON COMPANY

AND

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

AND

SAN GORGONIO PASS WATER AGENCY

(Project: Greenspot Pumping Station – WDT2049)

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Contract Effective Date: xx/xx/xx  
905.1406.0  
WDT2049

Tariff Record Proposed Effective Date: xx/xx/xx  
Version Number: 1.0.0  
Option Code: A

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**GREENSPOT PUMPING STATION WHOLESALE DISTRIBUTION LOAD  
INTERCONNECTION FACILITIES AGREEMENT AMONG  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
SAN GORGONIO PASS WATER AGENCY  
AND  
SOUTHERN CALIFORNIA EDISON COMPANY**

**1. PARTIES**

The Parties to this Greenspot Pumping Station Interconnection Facilities Agreement (“Agreement”) are the San Bernardino Valley Municipal Water District (“SBVMWD”), a municipal water district in the State of California, the San Gorgonio Pass Water Agency (“SGPWA”), a water agency in the State of California, and Southern California Edison Company (“SCE”), a California corporation, hereinafter sometimes referred to individually as “Party” and collectively as “Parties.”

**2. RECITALS**

This Agreement is made with reference to the following facts, among others:

- 2.1. SCE is a California public utility engaged in the business of generating and transmitting electric energy in the States of Arizona, California, Nevada, and New Mexico. SCE is further engaged in the business of distributing such energy in the State of California.
- 2.2. The Department of Water Resources of the State of California (“CDWR”) is a state agency operating the State of California’s State Water Project (“SWP”) pursuant to the laws of the State of California.

- 2.3. SBVMWD and SGPWA are SWP contractors receiving SWP water supplies pursuant to long-term water supply contracts with CDWR.
- 2.4. On March 10, 2001, CDWR and SCE executed an interconnection facilities agreement with Service Agreement No. 419 (“CDWR IFA”), under the terms of which SCE provided design, construction, ownership, operation, and maintenance of the interconnection facilities required for the Cherry Valley, Crafton Hills, and Greenspot Pumping Stations within the East Branch Extension (“EBX”) to the California Aqueduct.
- 2.5. Pursuant to certain agreements between CDWR, SBVMWD, and SGPWA, upon completion of Phase II of EBX in 2017, CDWR commenced the process of terminating its contractual rights and obligations related to Greenspot Pumping Station, removing Greenspot Pumping Station from the SWP and transferring all the associated operation and maintenance responsibilities to SBVMWD and SGPWA, which now necessitates, among other things, (a) amendment of the CDWR IFA to remove the Greenspot Pumping Station, (b) termination of that certain Service Agreement for Wholesale Distribution for the Greenspot Pumping Station, effective 1/1/2026, and (c) termination of that certain Meter Service Agreement for the Greenspot Pumping Station, effective 1/1/2026.
- 2.6. As a result of the aforementioned circumstances, this separate Agreement is executed among SCE, SBVMWD, and SGPWA for Greenspot Pumping Station.
- 2.7. SCE provides transmission service for Greenspot Pumping Station in the amount of 4.0 MW.

- 2.8. Interconnection Facilities constructed by SCE to interconnect the Greenspot Pumping Station is designed to be capable of carrying a load in the amount of 5.5 MW.
- 2.9. SBVMWD and SGPWA desires, and SCE is willing to provide, under the terms of this Agreement, design, construction, ownership, operation, and maintenance of the Interconnection Facilities.
- 2.10. The Parties intend to execute a Service Agreement in connection with this Agreement to implement wholesale Distribution Service under SCE's WDAT.
- 2.11. The Distribution Customer understands and acknowledges that the effective date of this Agreement is contingent upon the effective date of Amendment No. 2 to the CDWR IFA. If Amendment No. 2 has not been executed or has not become effective, this Agreement shall not be considered effective.

### **3. AGREEMENT**

The Parties agree as follows:

### **4. TERM**

- 4.1 This Agreement shall become effective upon execution by the Parties and the later to occur of (a) approval by the California Department of General Services, or (b) acceptance for filing by the FERC; provided that, if the FERC enters into a hearing to determine whether this Agreement is just and reasonable or, without hearing, issues an order which changes this Agreement, this Agreement shall not become effective until the date when an order no longer subject to judicial review has been issued by the FERC determining this Agreement to be just and reasonable without changes or new conditions unacceptable to any Party.

- 4.2 This Agreement shall terminate on the earliest of (a) the termination date of the Service Agreement, (b) the date specified by SBVMWD and SGPWA upon one hundred eighty (180) calendar days advance written notice to SCE if the notice of termination is received by SCE on or after the Interconnection Facilities In-Service Date, (c) the date specified by SBVMWD and SGPWA upon thirty (30) calendar days advance written notice to SCE if the notice of termination is received by SCE before the Interconnection Facilities In-Service Date, or (d) the date specified by SCE pursuant to Sections 6.4 or 10.7.
- 4.3 Any obligations of one Party to any other, including payment obligations, as a result of this Agreement, which accrued prior to or as a result of termination of this Agreement, shall survive termination.
- 4.4 If a filing is required with FERC to terminate this Agreement, SBVMWD and SGPWA shall support such filing if requested by SCE. SCE will provide a copy of its filing to SBVMWD and SGPWA prior to submitting the filing to FERC.
- 4.5 Upon termination of this Agreement, SBVMWD and SGPWA shall pay SCE any remaining balance owed for SCE's costs incurred or irrevocably committed to be incurred pursuant to this Agreement as of the effective date of termination within sixty (60) calendar days following receipt of a billing from SCE requiring such payment. Such billing shall reflect all payments received by SCE, which shall be credited against the amount of SCE's costs and expenses incurred or irrevocably committed to be incurred in accordance with this Agreement.

## 5. DEFINITIONS

The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

- 5.1 Accounting Practice: Generally accepted accounting principles and practices applicable to electric utility operations.
- 5.2 Agreement: This Greenspot Pumping Station Interconnection Facilities Agreement among the San Bernardino Valley Municipal Water District, the San Gorgonio Pass Water Agency, and Southern California Edison Company.
- 5.3 Authorized Representative: The representative of a Party designated in accordance with Section 11.
- 5.4 Company-Financed Monthly Rate: The monthly rate applicable to Interconnection Facilities, which shall be equal to the CPUC Added Facilities Rate.
- 5.5 CPUC: State of California Public Utilities Commission, or its regulatory successor.
- 5.6 CPUC Added Facilities Rate: The rate most recently adopted by the CPUC for application to SCE-financed added facilities constructed by SCE for an SCE retail electric customer, which compensates SCE for replacement of added facilities.  
The CPUC Added Facilities rate is stated in Exhibit E.
- 5.7 Capital Additions: Any modifications to the SCE's Interconnection Facilities or to the Distribution Upgrades. Such modifications may be any Units of Property which are added to the SCE's Interconnection Facilities or Distribution Upgrades; the enlargement, modification or betterment of any Units of Property constituting a part of the SCE's Interconnection Facilities or Distribution Upgrades; or the

replacement of any Units of Property constituting a part of the SCE's Interconnection Facilities or Distribution Upgrades, irrespective of whether such replacement constitutes an enlargement, modification or betterment of that which it replaces; and the costs of which additions, enlargements, modifications, betterments or replacements in accordance with Accounting Practice would be capitalized and have not previously been included in the Interconnection Facilities Cost or the Distribution Upgrades Cost.

- 5.8 Capital Additions Cost: All costs, excluding One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 5.9 Capital Additions Payment: The sum of the Capital Additions Cost, associated ITCC and associated One-Time Cost.
- 5.10 Distribution Upgrades: Modifications or additions to the SCE's Distribution System necessary to facilitate the interconnection of SBVMWD's and SGPWA's distribution system to SCE's Distribution System to serve SBVMWD's and SGPWA's Wholesale Distribution Load set forth in the Service Agreement. Consistent with Section 2.10 of the WDAT, Distribution Upgrades shall be for the general benefit of all users of SCE's Distribution System.
- 5.11 Distribution Upgrades Charge: The monthly charge to SBVMWD and SGPWA to recover the revenue requirements for the Distribution Upgrades, calculated as the product of the Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities and the Distribution Upgrades Cost.

5.12 **Distribution Upgrades Cost:** All costs, excluding One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Distribution Upgrades.

5.13 **Distribution Upgrades In-Service Date:** The date upon which the construction of the Distribution Upgrades is complete and such facilities are successfully tested and ready for service.

5.14 **Distribution Upgrades Payment:** The sum of the Distribution Upgrades Cost, associated with those Distribution Upgrades constructed by SCE, ITCC and One-Time Cost associated with the Distribution Upgrades.

5.15 **FERC:** Federal Energy Regulatory Commission, or its regulatory successor.

5.16 **Greenspot Interconnection Facilities:** Distribution and other facilities financed, owned and provided by SCE to connect SBVMWD and SGPWA's Greenspot Pumping Station to SCE's Cardiff-Santa Ana River 3 No. 1, 33kV line as described in Exhibit A and as shown in Exhibit D.

5.17 **Greenspot Interconnection Facilities Charge:** The monthly charge to SBVMWD and SGPWA, as determined by SCE, to recover the revenue requirements for the Greenspot Interconnection Facilities calculated as the product of the Company-Financed Monthly Rate and the Greenspot Interconnection Facilities Cost.

5.18 **Greenspot Interconnection Facilities Cost:** The total financial investment, excluding any Greenspot One-Time Cost, by SCE in constructing the Greenspot Interconnection Facilities for SBVMWD and SGPWA as described in Exhibits A and E.

5.19 Greenspot In-Service Date: The later of October 1, 2001 or the date the Greenspot Interconnection Facilities are complete and ready for operation.

5.20 Greenspot One-Time Cost: Costs associated with the installation of the Greenspot Interconnection Facilities which are not capitalized in accordance with generally accepted accounting principles and practices applicable to electric utility operations, including without limitation, the cost incurred by SCE as described in Exhibit F.

5.21 Greenspot Pumping Station: The four-unit 4.0 MW pumping station to be owned, operated and maintained by SBVMWD and SGPWA located on the east side of Greenspot Road, approximately 1 ½ miles N. E. of the City of Redlands, San Bernardino County.

5.22 Interconnection Facilities: Facilities, as specified in Exhibit A, owned by SCE to interconnect SBVMWD and SGPWA distribution systems serving SBVMWD and SGPWA's Wholesale Distribution Loads to SCE's Distribution System, as such facilities may be modified during the term of this Agreement.

5.23 Interconnection Facilities Charge: The monthly charge to SBVMWD and SGPWA to recover the revenue requirements for the Interconnection Facilities, calculated as the product of the Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities and the Interconnection Facilities Cost. The Interconnection Facilities Charge is provided in Exhibit C.

5.24 Interconnection Facilities Cost: All costs, excluding One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction

and installation of the Interconnection Facilities. The Interconnection Facilities Cost is provided in Exhibit C.

- 5.25 **Interconnection Facilities In-Service Date:** The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
- 5.26 **ITCC:** The Income Tax Component of Contribution shall have the meaning assigned to it in Attachment J of the Tariff.
- 5.27 **One-Time Cost:** All costs determined by SCE to be associated with the installation of Interconnection Facilities, Distribution Upgrades, or Capital Additions which are not capitalized. The Interconnection Facilities and/or Distribution Upgrades One-Time Costs are provided in Exhibit C.
- 5.28 **Removal Cost:** The reasonable costs which SCE would incur for the removal of the Interconnection Facilities pursuant to this Agreement, whether or not such removal takes place, and which is calculated as the difference between the labor cost (or estimated labor cost if removal does not take place) for removal and the salvage value (or estimated salvage value if removal does not take place) of the Interconnection Facilities.
- 5.29 **Service Agreement:** The Service Agreement for Wholesale Distribution Service between the Parties executed concurrently herewith.
- 5.30 **Units of Property:** As described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.

5.31 WDAT: SCE's Wholesale Distribution Access Tariff, designated as FERC Electric Tariff, Volume No. 5, as such tariff may be amended or suspended.

## 6. INTERCONNECTION FACILITIES

6.1 SCE is responsible for performing the Scope of Work by SCE as set forth in Exhibit A pursuant to Good Utility Practice and apply for any regulatory approvals necessary for the construction, operation and maintenance of the Interconnection Facilities as described in Exhibit A and shown in Exhibit B. SCE shall use reasonable efforts to install the Interconnection Facilities by the following date:

Greenspot Interconnection Facilities October 1, 2001

6.2 SBVMWD and SGPWA shall install metering to meet the requirements of the ISO.

6.3 The maximum capacity of the Interconnection Facilities made available by SCE to SBVMWD and SGPWA for the purpose of interconnecting and delivering energy and other services from the ISO under this Agreement shall be 5.5 MW. SBVMWD and SGPWA acknowledges that if SBVMWD and SGPWA wishes to increase the amount of Distribution Service provided pursuant to this Agreement and the Service Agreement, SBVMWD and SGPWA shall be required to submit a new application for Distribution Service in accordance with the terms and conditions of the WDAT.

6.4 SBVMWD and SGPWA shall not cause their distribution systems serving other Wholesale Distribution Loads and developments to operate in parallel with or to

interconnect to any other electrical facilities, which facilities shall include, but not be limited to, SBVMWD's and SGPWA's distribution systems served under other WDAT interconnection facilities agreements or service agreements, any generating facilities, other SCE facilities, or any facilities served by other electric utilities, without receiving prior review and authorization from SCE. If SBVMWD and SGPWA fail to comply with the requirements set forth in this Section 6, then SCE shall have the right to terminate this Agreement, subject to FERC acceptance or approval.

- 6.5 SBVMWD and SGPWA shall cause its electrical facilities to be a balanced system across all three phases.
- 6.6 This Agreement governs the facilities required to interconnect SBVMWD's and SGPWA's distribution system serving SBVMWD and SGPWA Wholesale distribution system to SCE's electrical system pursuant to the WDAT and as described herein. SBVMWD and SGPWA shall be responsible for making all necessary operational arrangements with the ISO, including, without limitation, arrangements for obtaining transmission service from the ISO, and for scheduling delivery of energy and other services from the ISO Grid.

## 7. CHARGES FOR INTERCONNECTION FACILITIES

- 7.1 SBVMWD and SGPWA shall pay to SCE all costs incurred by SCE for designing, constructing, owning, operating, and maintaining the Interconnection Facilities. Such costs shall be differentiated as follows: (a) One-Time Cost; (b) Interconnection Facilities Cost; (c) Capital Additions Payment; (d) any

reimbursable FERC fees pursuant to Section 13.3; (e) Removal Cost pursuant to Section 33; (f) other taxes pursuant to Section 35; and (g) termination charges pursuant to Section 4.5. SCE's One-Time Cost and Interconnection Facilities Cost are shown in Exhibit E.

- 7.2 SBVMWD and SGPWA shall initially pay SCE the One-Time Cost in the amount of SCE's estimate shown in Exhibit C. Such costs shall be later adjusted pursuant to Section 7.4. Billing and payment shall be made in accordance with Section 10.2.
- 7.3 SBVMWD and SGPWA shall initially pay SCE the Greenspot Interconnection Facilities Charge based on the respective estimated Interconnection Facilities Cost, as shown in Exhibit C. Such payments shall be adjusted later pursuant to Section 7.4. Billing and payment shall be made in accordance with Section 10.4.
- 7.4 Within six months of each Interconnection Facilities In-Service Date, or the in-service date of any Capital Additions, as the case may be, SCE shall determine the actual recorded Interconnection Facilities Cost, or the Capital Additions Cost, including the associated actual recorded One-Time Cost and ITCC, and provide SBVMWD and SGPWA an itemized accounting of such costs.
  - 7.4.1 If the amount paid for the Interconnection Facilities Charge is less than the amount due for the Interconnection Facilities Charge as determined from the respective actual recorded Interconnection Facilities Cost, SCE shall bill SBVMWD and SGPWA for the difference between the amount previously paid by SBVMWD and SGPWA and the amount which would

have been paid based on actual recorded costs, without interest, on the next regular billing.

- 7.4.2 If the amount paid for the Interconnection Facilities Charge is greater than the amount due for the Interconnection Facilities Charge as determined from the respective actual recorded Interconnection Facilities Cost, SCE shall credit SBVMWD and SGPWA for the difference between the amount previously paid by SBVMWD and SGPWA and the amount which would have been paid based on actual recorded costs, without interest, on the next regular billing.
- 7.4.3 If the amount paid for the estimated One-Time Cost is less than the respective actual recorded One-Time Cost, SCE shall bill SBVMWD and SGPWA for the difference between the amount previously paid by SBVMWD and SGPWA and the actual recorded cost, without interest, within 20 days of such determination of actual cost. SBVMWD and SGPWA shall pay such bills by sixty (60) calendar days after receipt thereof.
- 7.4.4 If the amount paid for the estimated One-Time Cost is greater than the respective actual recorded One-Time Cost, SCE shall refund SBVMWD and SGPWA for the difference between the amount previously paid by SBVMWD and SGPWA and the actual recorded cost, without interest, within 20 days of such determination of actual cost.

7.5 SCE's actual recorded book cost for the Interconnection Facilities Cost and One-Time Cost shall be compiled in accordance with the uniform system of accounts

prescribed for utility corporations by the FERC, as supplemented by SCE's regularly established accounting practice where no FERC provision is prescribed.

- 7.6 The total amount payable for One-Time Costs by SBVMWD and SGPWA under this Agreement shall not exceed \$800,000.
- 7.7 The total amount for Interconnection Facilities Cost shall not exceed \$2,500,000.
- 7.8 Without limitation of the Parties' rights stated in Section 13, if at any time SCE does not have a CPUC Added Facilities Rate in effect, SCE may file under Section 205 of the Federal Power Act to establish a new Company-Financed Monthly Rate, in accordance with the then-applicable FERC regulations and decisional authority. In such event, after the FERC accepts for filing such new Company-Financed Monthly Rate, whether or not subject to refund, without waiving any refund rights, SBVMWD and SGPWA shall pay charges under this Agreement which reflect the new Company-Financed Monthly Rate. SBVMWD and SGPWA shall have the right to oppose any such Section 205 filing by SCE.
- 7.9 The Interconnection Facilities Cost, Capital Additions Cost, One-Time Cost, ITCC and Removal Cost shall be compiled in accordance with Accounting Practice.
- 7.10 If, during the term of this Agreement, SCE executes an agreement to provide service to another entity (other than retail load) which contributes to the need for the Interconnection Facilities, the charges due hereunder shall be adjusted to appropriately reflect such service based on SCE's cost allocation principles in effect at such time and shall be subject to FERC approval.

## 8. MODIFICATIONS OR REPLACEMENT OF INTERCONNECTION FACILITIES

- 8.1 Whenever Interconnection Facilities are modified or replaced due to damage or equipment failure, the work shall be completed at SCE's expense. Even if such modification or replacement results in a change in the Interconnection Facilities investment, the Interconnection Facilities Cost for such Interconnection Facilities shall not be adjusted.
- 8.2 In the event that any modification or replacement to the Interconnection Facilities is performed in order to accommodate SCE's needs and not to maintain service to SBVMWD and SGPWA, the work shall be completed at SCE's expense, and there shall be no charge for One-Time Cost. No increase shall be made to the Interconnection Facilities Cost.

## 9. ACTIONS UPON TERMINATION

- 9.1 Within 90 days following termination of this Agreement, SCE shall bill SBVMWD and SGPWA for the installed cost of the Interconnection Facilities less accumulated depreciation, plus Removal Cost.
- 9.2 In addition, SCE shall adjust the billing pursuant to Section 9.1 by an amount equal to the difference between (a) the present value (as of the date of termination) of the series of Interconnection Facilities Charge payments which would have been made or come due as of the date of termination, if such charge had been calculated pursuant to a traditional depreciated rate base methodology, and (b) the present value (as of the date of termination) of the Interconnection Facilities Charge payments actually made, or which had become due, under this

Agreement (levelized methodology) as of the date of termination. Such adjustment will be determined such that the total of the payments actually paid, or come due, as of the date of termination, plus the payment described in this Section 9.2 are financially equivalent, on a present worth basis, to the total of the payments which would have been made under traditional depreciated rate base ratemaking methodology. If the amount calculated pursuant to (a) is greater than the amount calculated pursuant to (b), then such adjustment shall be a debit. If the amount calculated pursuant to (b) is greater than the amount calculated pursuant to (a), then such adjustment shall be a credit.

- 9.3 SBVMWD and SGPWA shall pay SCE, or SCE shall pay SBVMWD and SGPWA, the amount of such adjusted billing pursuant to Sections 9.1 and 9.2 by sixty (60) calendar days following receipt thereof.
- 9.4 SCE shall have the right, but not the obligation, to remove any portion of the Interconnection Facilities not located on SBVMWD's and SGPWA's premises following termination.
- 9.5 SCE shall have the right to remove any portion of the Interconnection Facilities located on SBVMWD's and SGPWA's premises. SCE shall remove any portion of the Interconnection Facilities located on SBVMWD's and SGPWA's premises as requested by SBVMWD and SGPWA.
- 9.6 SCE shall file all charges under Section 9.1 and 9.2 with the FERC prior to termination.

## 10. BILLING AND PAYMENT

- 10.1 Pursuant to this Section 10, SCE shall render bills to SBVMWD and SGPWA for:
  - (a) One-Time Costs pursuant to Section 7.2; (b) Interconnection Facilities Charges pursuant to Section 7.3; (c) FERC fees pursuant to Section 13.3;
  - (d) Removal Cost pursuant to Section 9; and (e) other taxes pursuant to Section 33.
- 10.2 On or after the first of the month in which SCE commences construction of each of the Interconnection Facilities, SCE shall render a bill to SBVMWD and SGPWA for the respective estimated One-Time Cost of such Interconnection Facilities. SBVMWD and SGPWA shall pay such bill by the 20<sup>th</sup> calendar day after receipt thereof.
- 10.3 SCE shall bill SBVMWD and SGPWA or refund SBVMWD and SGPWA in accordance with Sections 7.4.3 and 7.4.4 for the difference between the estimated One-Time Cost and recorded One Time Cost.
- 10.4 Commencing on the Interconnection Facilities In-Service Date, SCE shall render monthly bills to SBVMWD and SGPWA for the Interconnection Facilities Charge. SBVMWD and SGPWA shall pay such bills by the 20<sup>th</sup> calendar day after receipt thereof.
- 10.5 SCE will bill SBVMWD and SGPWA for the Capital Additions Payment prior to commencing any work on any Capital Additions in accordance with Section 34.2; provided that, at SCE's sole discretion, SCE may bill SBVMWD and SGPWA for the Capital Additions Payment after commencing such work if SCE determines that Capital Additions are required in accordance with safety or regulatory

requirements or to preserve system integrity or reliability. Such billing shall initially be based on SCE's cost estimates and shall be subject to later adjustment pursuant to Sections 10.8.1 and 10.8.2.

- 10.6 Except as otherwise provided in Section 34.3, if certain Interconnection Facilities are removed to accommodate such Capital Additions and such removal results in a change in the Interconnection Facilities Cost, the Interconnection Facilities Charge shall be adjusted as of the in-service date of such Capital Additions to reflect the change in the Interconnection Facilities Cost.
- 10.7 Except as otherwise provided in Section 34.3, if such Capital Additions result in an increase in the Interconnection Facilities Cost, then the Interconnection Facilities Charge shall be adjusted as of the in-service date of such Capital Additions to reflect the change in such costs.
- 10.8 Within twelve (12) months following the Interconnection Facilities In-Service Date or the in-service date of any Capital Additions, as the case may be, SCE shall determine the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, and provide SBVMWD and SGPWA with a final invoice.
  - 10.8.1 If the amounts paid for the estimated Interconnection Facilities Payment or the Capital Additions Payment are less than the amounts due for the Interconnection Facilities Payment or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will bill SBVMWD and SGPWA for the difference between

the amounts previously paid by SBVMWD and SGPWA and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.

10.8.2 If the amounts paid for the estimated Interconnection Facilities Payment or the Capital Additions Payment are greater than the amounts due for the Interconnection Facilities Payment or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will refund SBVMWD and SGPWA the difference between the amounts previously paid by SBVMWD and SGPWA and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.

10.9 SCE shall adjust the amount of its billings for the Interconnection Facilities Charge in accordance with Sections 7.4.1 and 7.4.2.

10.10 Interest on any unpaid amounts shall be calculated in accordance with the methodology specified in the Interest on Unpaid Balances provision of the WDAT.

10.11 Any default or billing dispute shall be handled in accordance with the methodology specified in the Customer Default provision of the WDAT, including, without limitation, the provision for termination upon default, subject to FERC approval.

10.12 All payments to be made by SBVMWD and SGPWA to SCE shall be sent to:  
Southern California Edison Company

Accounts Receivable  
Box 600  
Rosemead, California 91770

SCE may, at any time, by written notice to SBVMWD and SGPWA pursuant to Section 21, change the address to which payments shall be sent.

10.13 All billings or refunds to be presented by SCE to SBVMWD and SGPWA shall be sent to:

SBVMWD  
Heather Dyer  
CEO/General Manager  
380 E. Vanderbilt Way  
San Bernardino, CA 92408

SGPWA  
Lance Eckhart  
General Manager  
1210 Beaumont Ave  
Beaumont, CA 92223

SBVMWD and SGPWA may, at any time, by written notice to SCE pursuant to Section 21, change the address to which billings or refunds shall be sent.

## 11. AUTHORIZED REPRESENTATIVE

11.1 In order to coordinate the schedule for the installation of the Interconnection Facilities, and provide for the exchange of information and preparation of any necessary operating procedures regarding the activities required under this Agreement, each Party shall, within 30 calendar days following the effective date of this Agreement, appoint an Authorized Representative and shall designate such Authorized Representative by written notice to the other Party.

- 11.2 The Authorized Representatives are authorized to act on behalf of the Party they represent in the implementation of this Agreement. Any action taken or determination made by the Authorized Representatives in the implementation of this Agreement shall be in writing.
- 11.3 The Authorized Representatives shall have no authority or power to modify, add, waive, or eliminate any terms or conditions of this Agreement.
- 11.4 Either Party may at any time change the designation of its Authorized Representative by written notice to the other Party pursuant to Section 21.

## 12. LIABILITY

- 12.1 Except for any loss, damage, claim, cost, charge, or expense resulting from Willful Action, neither Party, its directors or other governing body, officers, or employees shall be liable to the other Party for any loss, damage, claim, cost, charge, or expense of any kind or nature incurred by the other Party (including direct, indirect, or consequential loss, damage, claim, cost, charge, or expense; and whether or not resulting from the negligence of a Party, its directors or other governing body, officers, employees, or any person or entity whose negligence would be imputed to such Party) from (a) engineering, repair, supervision, inspection, testing, protection, operation, maintenance, replacement, reconstruction, use, or ownership of such Party's electric or water system, or (b) the performance or non-performance of the obligations of a Party under this Agreement. Except for any loss, damage, claim, cost, charge, or expense resulting

from Willful Action, each Party releases the other Party, its directors or other governing body, officers, and employees from any such liability.

12.2 Except for liability resulting from Willful Action of the other Party, a Party whose electric customer shall make a claim or bring an action for any death, injury, loss, or damage arising out of delivery of, interruptions to, or curtailment of electric service to such customer, shall indemnify and hold harmless, to the full extent permitted by law, the other Party, its directors or other governing body, officers and employees from and against any liability for such death, injury, loss, or damage. For the purpose of this Section 12, the term "electric customer" shall mean an electric consumer, except an electric utility system to whom power is delivered for resale. Except for liability resulting from Willful Action of the other Party, a Party whose water customer shall make a claim or bring an action for any death, injury, loss, or damage arising out of delivery of, interruptions to, or curtailment of water service which that Party is obligated to provide such customer, shall indemnify and hold harmless, to the full extent permitted by law, the other Party, its directors or other governing body, officers, and employees from and against any liability for such death, injury, loss, or damage.

12.3 For the purpose of this Section 12, Willful Action shall be defined as:

12.3.1 Action taken or failure to act by a Party at the direction of its directors or other governing body, officers, or employees having management responsibility affecting its performance under this Agreement, which action or failure to act is knowingly or intentionally taken with conscious

indifference to the consequences thereof or with intent that injury or damage will result or will probably result therefrom.

12.3.2 Action taken or failure to act by a Party at the direction of its directors or other governing body, officers, or employees having management responsibility affecting its performance under this Agreement, which action or failure to act has been determined by final arbitration award or final judgment or judicial decree to be a material default under this Agreement and which occurs or continues beyond the time specified in such arbitration award or judgment or judicial decree for curing such default or, if no time to cure is specified therein, occurs or continues thereafter beyond a reasonable time to cure such default.

12.3.3 Action taken or failure to act by a Party at the direction of its directors or other governing body, officers, or employees having management responsibility affecting its performance under this Agreement, which action or failure to act is knowingly or intentionally taken with the knowledge that such action or failure to act is a material default under this Agreement.

12.3.4 Willful Action does not include any act or failure to act which is merely involuntary, accidental, or negligent.

12.3.5 The phrase “employees having management responsibility,” as used in this Section 12.3, means the employees of a Party who are responsible for one or more of the executive functions of planning, organizing, coordinating,

directing, controlling, and supervising such Party's performance under this Agreement with responsibility for results.

### **13. REGULATORY AUTHORITY**

- 13.1 SCE shall tender this Agreement for filing with FERC in a timely manner with a request that it be made effective upon acceptance without suspension, and SBVMWD and SGPWA shall support SCE in obtaining all necessary authorizations and approvals for this Agreement.
- 13.2 Nothing contained herein shall be construed as affecting in any way: (a) the right of SCE to unilaterally make application to the FERC for a change in rates, charges, classification, or service, or any rule, regulation, or contract relating thereto, under Section 205 of the Federal Power Act and pursuant to the Rules and Regulations promulgated by FERC thereunder; (b) the right of SBVMWD and SGPWA to oppose such changes under Section 205 of the Federal Power Act; (c) the right of SBVMWD and SGPWA to file a complaint requesting a change in rates, charges, classification, or service, or any rule, regulation or contract relating thereto, or rate methodology or design relating to services provided hereunder, under Section 206 of the Federal Power Act and pursuant to the rules and regulations promulgated by the FERC thereunder; or (d) the right of SCE to oppose such complaint by SBVMWD and SGPWA under Section 206 of the Federal Power Act. Any change shall become effective pursuant to Section 205 of the Federal Power Act.

13.3 SBVMWD and SGPWA shall reimburse SCE for all fees and charges imposed on SCE by the FERC attributable to the service provided under this Agreement, or any amendments thereto.

#### **14. NO DEDICATION OF INTERCONNECTION FACILITIES**

Any undertaking by one Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of the undertaking Party to the public or to the other Party, and it is understood and agreed that any such undertaking by a Party shall cease upon the termination of its obligations hereunder.

#### **15. NO THIRD PARTY RIGHTS**

Unless otherwise specifically provided in this Agreement, the Parties do not intend to create rights in or grant remedies to any Third Party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established hereunder.

#### **16. UNCONTROLLABLE FORCES**

Neither Party shall be considered to be in default in the performance of any of its obligations hereunder (other than obligations of SBVMWD and SGPWA to make payment for bills rendered pursuant to Section 10 or SCE's obligation to make refunds under Section 7) when a failure of performance shall be due to an Uncontrollable Force. The term "Uncontrollable Force", shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure or threat of failure of Interconnection Facilities, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage,

government priorities and restraint by court order or public authority and action or nonaction by or inability to obtain the necessary authorizations or approvals from any governmental agency or authority, which by exercise of due diligence such Party could not reasonably have been expected to avoid and which it has been unable to overcome by exercise of due diligence. Nothing contained herein shall be construed to require a Party to settle any strike or labor dispute in which it may be involved.

## 17. ASSIGNMENTS

- 17.1 Any assignment by a Party of its interest in this Agreement which is made without the written consent of the other Party shall not relieve such assigning Party from primary liability for any of its duties and obligations under this Agreement, and in the event of any such assignment, the assigning Party shall continue to remain primarily liable for payment of any and all money due the other Party as provided under this Agreement, and for the performance and observance of all other covenants, duties, and obligations to be performed and observed under this Agreement by the assigning Party to the same extent as though no assignment has been made.
- 17.2 Whenever an assignment of a Party's interest in this Agreement is made with the written consent of the other Party, the assigning Party's assignee shall expressly assume in writing the duties and obligations hereunder of the assigning Party and, within 30 calendar days after any such assignment and assumption of duties and obligations, the assigning Party shall furnish or cause to be furnished to the other

Party a true and correct copy of such assignment and assumption of duties and obligations.

#### **18. RELATIONSHIP OF PARTIES**

The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership, covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement.

Neither Party shall be under the control of or shall be deemed to control the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

#### **19. WAIVERS**

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other or subsequent default or other matter arising in connection therewith. Any delay, short of any statutory period of limitation, in asserting or enforcing any right, shall not be deemed a waiver of such right.

#### **20. GOVERNING LAW**

This Agreement shall be interpreted, governed by, and construed under the laws of the State of California or the laws of the United States, as applicable, as if executed and to be performed wholly within the State of California.

## **21. NOTICES**

Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, shall be in writing and deemed properly served, given, or made if delivered in person or sent by United States mail, postage prepaid, to the persons specified herein unless otherwise provided in this Agreement:

Southern California Edison Company,  
c/o Secretary,  
P.O. Box 800,  
Rosemead, California 91770,

SBVMWD  
Heather Dyer  
CEO/General Manager  
380 E. Vanderbilt Way  
San Bernardino, CA 92408

SGPWA  
Lance Eckhart  
General Manager  
1210 Beaumont Ave  
Beaumont, CA 92223

Either Party may at any time, by notice to the other Party, change the designation or address of the person so specified as the one to receive notices pursuant to this Agreement.

## **22. NONDISCRIMINATION**

During the performance of this Agreement, the Parties shall not deny the Agreement's benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall either Party discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (i.e., over 40), or sex. Each

Party shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

#### 23. AUDITS

Each Party shall be subject to the examination and audit of the Auditor General of the State of California for a period of three years after each payment is made under this Agreement.

#### 24. SEVERABILITY

In the event that any term, provision, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court, arbitration, or regulatory authority having jurisdiction, the invalidity of such term, covenant or condition shall not affect the validity of any other term, provision, condition or covenant and such term, provision, covenant or condition shall remain in force and effect as applied to this Agreement to the maximum extent permitted by law. The Parties hereto further agree to negotiate in good faith to establish new and valid terms, conditions and covenants to replace any found invalid so as to place each Party as nearly as possible in the position contemplated by this Agreement.

#### 25. RECYCLED MATERIALS

Pursuant to Public Contract Code paragraph 12205, SCE shall, prior to termination of this agreement, certify to SBVMWD and SGPWA, under penalty of perjury, the minimum percentage, or exact percentage, of post-consumer and secondary material in the materials, goods, or services provided or used.

**26. CHILD SUPPORT COMPLIANCE ACT**

- 26.1 SCE recognizes the importance of child and family support obligations and shall fully comply with all applicable State and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code.
- 26.2 SCE, to the best of its knowledge, is fully complying with the earnings orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

**27. AMERICANS WITH DISABILITIES ACT**

SCE assures SBVMWD and SGPWA that it complies with the Americans With Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.) which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**28. DRUG-FREE WORKPLACE CERTIFICATION**

The Parties certify, under penalty of perjury, to provide a drug-free workplace for each Party's respective employees. The Parties shall accomplish this by the following:

- 28.1 Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against them for violations.
- 28.2 Establish a Drug-Free Awareness Program to inform employees about the (a) dangers of drug abuse in the workplace, (b) policy of maintaining a drug-free workplace, (c) available counseling, rehabilitation and employee assistance

programs, and (d) penalties that may be imposed upon them for drug abuse violations.

28.3 Provide employees a copy of the drug-free workplace policy statement and obtain from employees or representatives an agreement to abide by the terms of the drug-free workplace policy statement as a condition of employment.

**29. WORKER'S COMPENSATION LIABILITY**

Each Party affirms it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers compensation, or to undertake self-insurance in accordance with the provisions of such Code. Each Party affirms it shall comply with such provisions prior to the execution of this Agreement.

**30. NATIONAL LABOR RELATIONS BOARD**

In accordance with Public Contract Code Section 10296, each Party declares under penalty of perjury that no more than one final, unappealable finding of contempt of court by a Federal court has been issued against it within the immediately preceding two-year period because of its failure to comply with an order of a Federal court which ordered it to comply with an order of the National Labor Relations Board.

**31. DISPUTES**

With the exception of any billing dispute as provided pursuant to Section 10.7 herein, or as otherwise limited by law, the Dispute Resolution Procedures set forth in the WDAT shall apply to all disputes between SBVMWD and SGPWA and SCE which arise under this Agreement; provided, however, that the Dispute Resolution Procedures set forth in the WDAT shall not

apply as to disputes regarding whether rates and charges set forth in this Agreement are just and reasonable under the Federal Power Act.

### 32. CONFIDENTIALITY

Confidential Information shall include, without limitation, all information that is identified as confidential by the disclosing Party relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either Party to the other Party prior to the Effective Date of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Section 28 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

32.1 **Term.** During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Section 32, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

32.2 **Scope.** Confidential Information shall not include information that the receiving Party can demonstrate: (a) is generally available to the public other than as a result of

a disclosure by the receiving Party; (b) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (c) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (d) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (e) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach of this Agreement; or (f) is required, in accordance with Section 32.7 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

32.3 Release of Confidential Information. No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, affiliates (limited by the Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358), subcontractors, or to parties who may be or are considering providing financing to or equity participation with the disclosing Party, or to potential purchasers or assignees of the disclosing Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Section 32 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential

Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 32.

- 32.4 Rights. Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by a Party or any other person or entity of the right to protect the Confidential Information from public disclosure.
- 32.5 No Warranties. The mere fact that a Party has provided Confidential Information does not constitute a warranty or representation as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 32.6 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.
- 32.7 Order of Disclosure. If a court or a Governmental Authority, entity, or person with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, Public Record Act request, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate

protective order or waive compliance with the terms of this Agreement.

Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

32.8 **Termination of Agreement.** Upon termination of this Agreement for any reason, each Party shall, within ten (10) calendar days of receipt of a written request from the other Party, use reasonable efforts to destroy, erase, or delete (with such destruction, erasure, or deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

32.9 **Remedies.** The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 32. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party breaches or threatens to breach its obligations under this Section 32, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the breach of this Section 32, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be

liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 32.

32.10 Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Section 32 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party shall provide the requested information to FERC or its staff within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Each Party is prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC or its staff. Each Party shall notify the other Party to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.

32.11 Subject to the exceptions in Sections 32.7 and 32.10, Confidential Information shall not be disclosed by any other Party to any person not employed or retained by such other Party, except to the extent disclosure is (a) required by law; (b) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a

dispute between or among the Parties, or the defense of litigation or dispute; (c) otherwise permitted by consent of such other Party, such consent not to be unreasonably withheld; or (d) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a balancing authority area operator including disclosing the Confidential Information to a regional transmission organization or the ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

33. REMOVAL COST

33. 1 If, in accordance with Section 9, SCE decides to physically remove the Interconnection Facilities, SCE shall render a bill to SBVMWD and SGPWA for the Removal Cost. SBVMWD and SGPWA shall pay the Removal Cost in accordance with Section 13.1. Such billing shall be initially based on SCE's estimate of the Removal Cost. Within 12 months following the removal of the Interconnection Facilities, SCE shall determine the recorded Removal Cost and provide SBVMWD and SGPWA with a final invoice.

- 33.2 If the amount paid for the Removal Cost is less than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will bill SBVMWD and SGPWA for the difference between the amount previously paid by SBVMWD and SGPWA and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
- 33.3 If the amount paid for the Removal Cost is greater than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will refund SBVMWD and SGPWA the difference between the amount previously paid by SBVMWD and SGPWA and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.

34. **CAPITAL ADDITIONS:**

- 34.1 SCE shall engineer, design, construct, install, own, operate and maintain all Capital Additions pursuant to Good Utility Practice.
- 34.2 Except as otherwise provided in Section 34.3, whenever Capital Additions are required by SCE pursuant to Good Utility Practice (which may include compliance with system or regulatory requirements), SBVMWD and SGPWA shall pay all charges associated with such Capital Additions in accordance with Section 7.
- 34.3 In the event that Capital Additions are required in order to benefit SCE, or because of damage caused by negligence or willful misconduct of SCE, SBVMWD and SGPWA shall not bear cost responsibility for such Capital

Additions. No adjustment will be made to the Interconnection Facilities Cost or the Distribution Upgrades Cost, and no Capital Additions Cost, ITCC, or One-Time Cost will be charged to SBVMWD and SGPWA for such Capital Additions.

### 35. OTHER TAXES

SBVMWD and SGPWA shall be solely responsible for any taxes (including, but not limited to, property tax, sales and use tax, excise tax, and document transfer tax) that are asserted against any payments or asset transfers made by SBVMWD and SGPWA to SCE under this Agreement for Interconnection Facilities and Capital Additions. SCE and SBVMWD and SGPWA shall cooperate in good faith to appeal, protest, seek abatement of, or otherwise contest other taxes associated against payments or asset transfers made by SBVMWD and SGPWA to SCE under this Agreement for Interconnection Facilities and Capital Additions.

### 36. ENTIRE AGREEMENT

This Agreement and the Service Agreement constitute the complete and final expression of the agreement between the Parties and are intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement and the Service Agreement.

### 37. AMBIGUITIES

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but will be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.

38. **SIGNATURE CLAUSE**

The signatories hereto represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign. This Agreement is hereby executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**SOUTHERN CALIFORNIA EDISON COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SAN GORGONIO PASS WATER AGENCY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

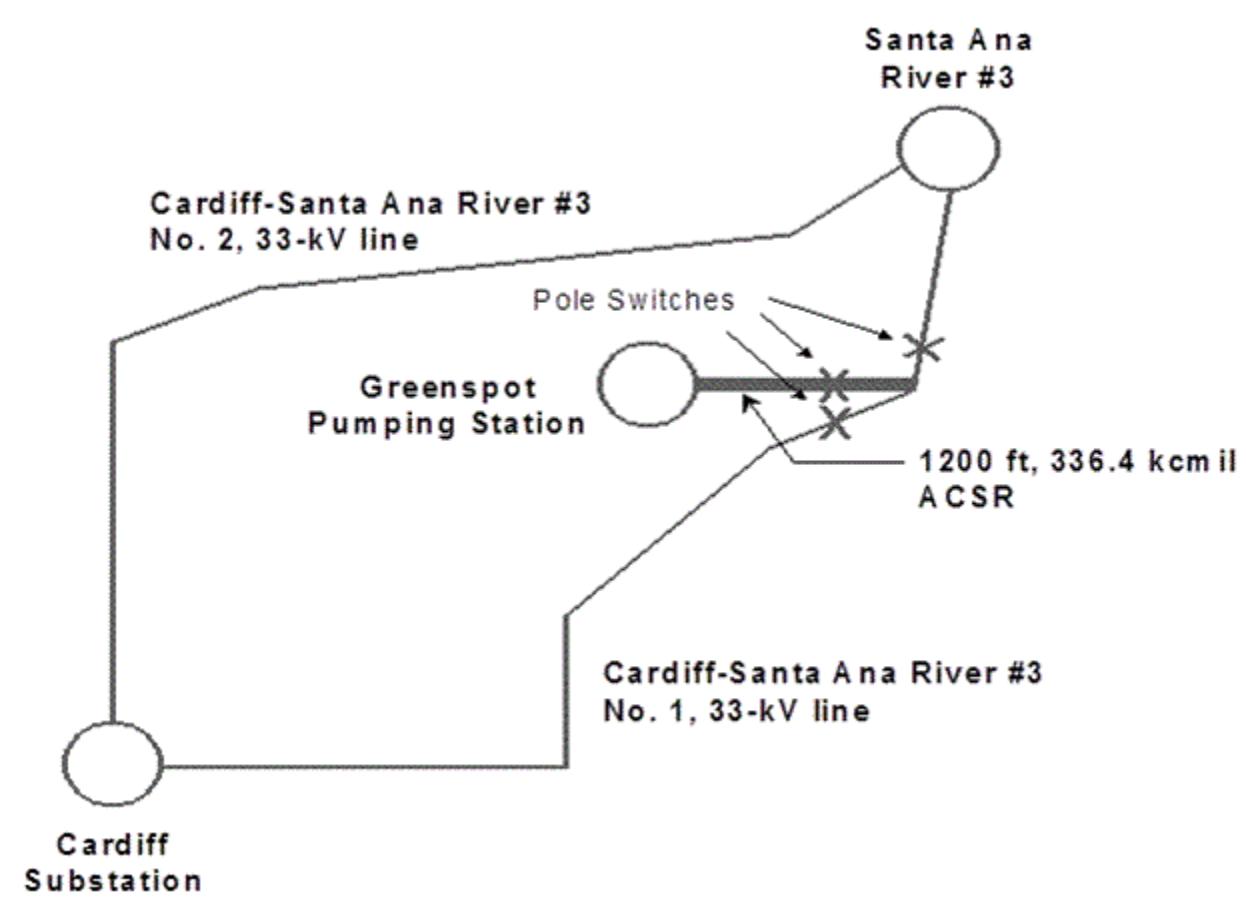
Date: \_\_\_\_\_

EXHIBIT A  
Interconnection Facilities Scope of Work

Greenspot Interconnection Facilities:

Form the Cardiff-Greenspot-Santa Ana River 3 No. 1, 33kV line by (i) constructing approximately 1200 feet of wood pole line using 336.4 ACSR conductor, (ii) tapping the existing Cardiff-Santa Ana River 3 No. 1, 33kV line, and (iii) installing three pole mounted switches.

EXHIBIT B  
Greenspot Interconnection Facilities One-Line Diagram



## EXHIBIT C

## Interconnection Facilities Cost and One-Time Cost

Greenspot Interconnection Facilities Cost:

Element	Facilities Cost Estimate	One-Time Cost Estimate	Facilities Cost -Actual	One-Time Cost - Actual
Transmission	\$189,300.00	\$30,000.00		
Distribution	0.00	\$10,200.00		
Telecommunication	\$15,400.00		0.00	
Real Property	\$10,200.00		0.00	
	<hr/> \$214,900.00	<hr/> \$40,200.00	<hr/> \$217,694.61	<hr/> \$26,689.33
	<u>Greenspot Interconnection Facilities Cost - Actual</u> \$217,694.61		<u>One-Time Cost - Actual</u> \$26,689.33	

Interconnection Facilities Total Cost:

	<u>Estimated Cost</u>	<u>Recorded Cost</u>
Interconnection Facilities Cost	\$240,500.00	\$245,254.89
One-Time Cost	\$429,000.00	\$385,686.06

**Monthly Interconnection Facilities Charge** = Interconnection Facilities Cost x Company-Financed Monthly Rate

## Greenspot Monthly Interconnection Facilities Charge:

Effective Date	Company-Financed Monthly Rate	Estimated Cost	Monthly Interconnection Facilities Charge based on Estimated Cost	Recorded Cost	Monthly Interconnection Facilities Charge Based on Actual Cost
06/14/02 to 07/17/04	1.38%	\$214,900.00	\$2,965.62	\$217,694.61	\$3,004.19
07/18/04 to 04/03/09	1.46%	\$214,900.00	\$3,137.54	\$217,694.61	\$3,178.34
04/04/09 to 12/31/12	1.47%	-	-	\$217,694.61	\$3,200.11

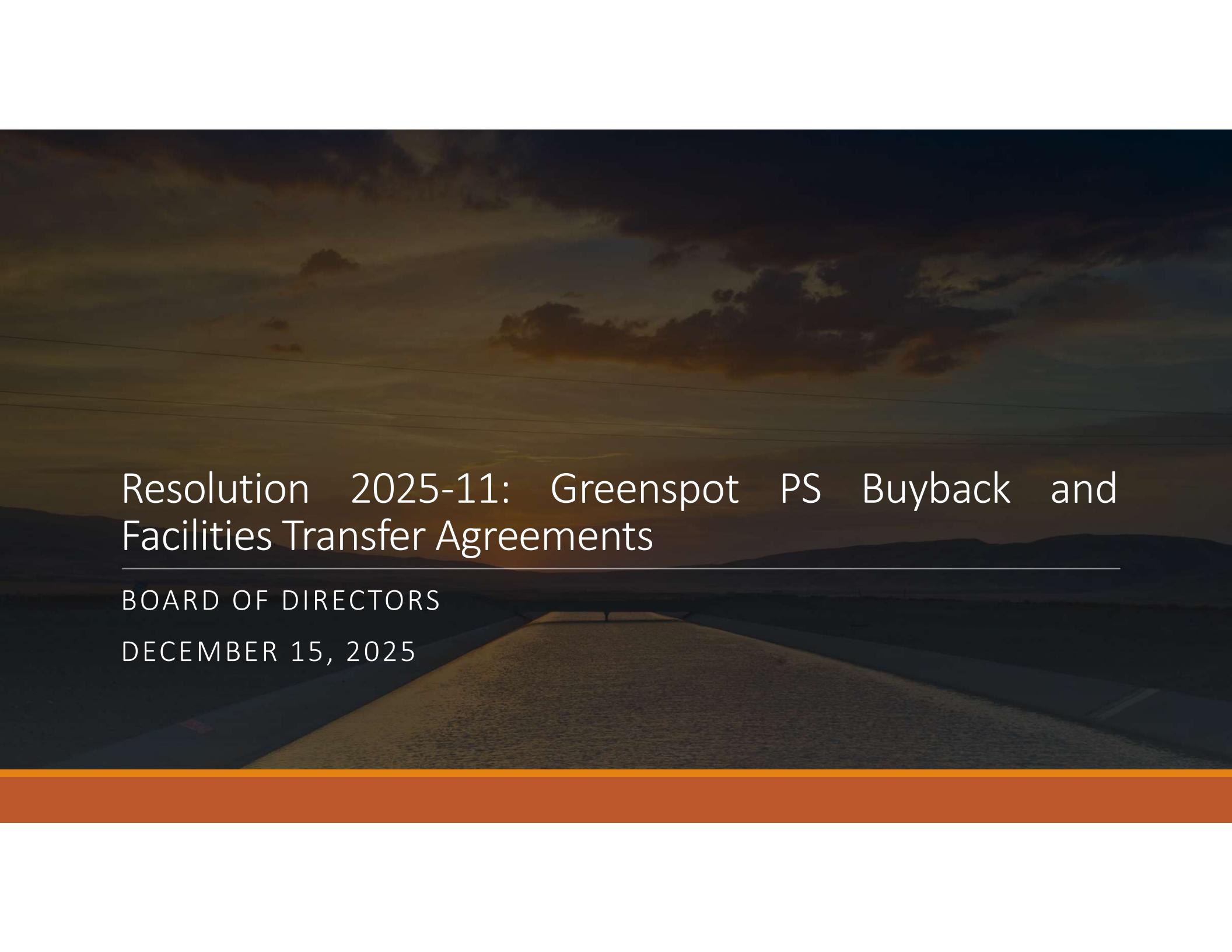
01/01/13 to 12/31/15	1.53%	-	-	\$217,694.61	\$3,330.73
01/01/16 to 07/25/2019	1.42%	-	-	\$217,694.61	\$3,091.26
07/26/2019 to 09/30/2021	1.23%			\$217,694.61	\$2,677.64
10/01/2021 to Present	1.16%			\$217,694.61	\$2,525.26

## EXHIBIT D

### Description of Work for One-Time Cost

#### Greenspot Interconnection Facilities:

Deadend existing conductors at the point at which the new 33kV line to Greenspot Pumping Station will be connected to the existing Cardiff-Santa Ana River 3 No. 1, 33kV line. Deadend existing conductors at three new pole-mounted switches installed in the existing Cardiff-Santa Ana River 3 No. 1, 33kV line. Relocate existing 12kV circuitry to new poles and remove four existing distribution poles.

A landscape photograph of a road leading into a valley under a dramatic, cloudy sky.

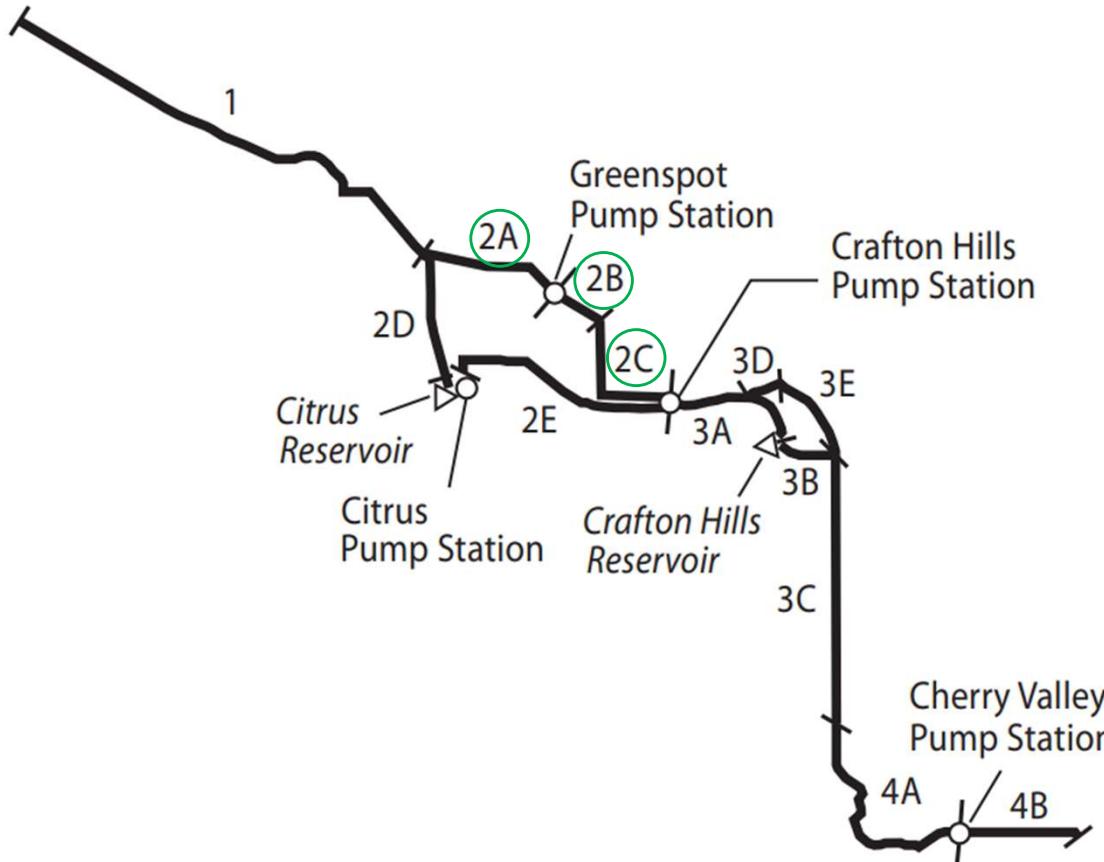
# Resolution 2025-11: Greenspot PS Buyback and Facilities Transfer Agreements

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BOARD OF DIRECTORS

DECEMBER 15, 2025

### *East Branch Extension*



With the completion of EBX Phase II, SBVMWD/SGPWA has requested their facilities at Reaches 2A, 2B, and 2C be transferred back to them from DWR. SGPWA has capacity rights in the facilities.



EBX Facilities to be Transferred Back to SBVMWD



SBVMWD and SGPWA have been working with DWR to facilitate this transfer back to local control. Agreements needed include:

- Umbrella agreement with DWR to facilitate the facilities transfer
- An amendment to SBVMWD's and SGPWA's respective Water Supply Contracts to document the removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities;
- An amendment to the 1998 Capacity Rights Agreement to relinquish DWR's capacity rights in SBVMWD's facilities within EBX Reaches 2A, 2B, and 2C;
- A revision to Attachment 1 to the EBX O&M Joint Exercise of Powers Agreement to remove references to the facilities within EBX Reaches 2A, 2B, and 2C and to add Foothill Pipeline Intertie and Greenspot Pipeline Intertie;
- An agreement between DWR, SBVMWD, and SGPWA to allow for the introduction of SBVMWD's and SGPWA's Non-Project water into the EBX;

In addition to DWR Agreements, SBVMWD and SGPWA have been working with SCE to coordinate a power agreement switch from DWR

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- SGPWA and SBVMWD need to execute two agreements:
  - Service Agreement for Wholesale Distribution Service
  - Greenspot Pumping Station Interconnection Facilities Agreement
- DWR will terminate their existing SCE agreements related to the Greenspot Pump Station and associated facilities.
- SGPWA/SBVMWDs SCE agreements and DWRs termination will be executed simultaneously to prevent a lapse of electrical service in these facilities.
- SCE will then submit a filing with FERC to approve the transfer
- The overall goal is to have this completed before the end of the year so that the transfer is effective January 1, 2026.

# Recommendation

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Adopt Resolution 2025-11 Authorizing Execution of Agreements for (1) Repayment of Debt Service and Removal of Greenspot Pump Station Facilities from the State Water Project, (2) Designation of New Delivery Structures, and (3) Electrical Interconnection and Wholesale Distribution Service with Southern California Edison Company