

CLEAR LAKE WATER SUPPLY AGREEMENT

Lake County Sanitation District
Northern California Power Agency
Geysers Power Company, LLC

This Agreement is entered into by Yolo County Flood Control and Water Conservation District, a California public agency, Lake County Sanitation District, a California public agency, Northern California Power Agency, a California joint powers agency and public agency, and Geysers Power Company, LLC, a Delaware limited liability company. Northern California Power Agency and Geysers Power Company are collectively referred to as “Diverter” or individually as “Diverter.” The Parties agree as follows:

1. Definitions

1.1. “Actual Diversion Data” means actual meter-based measurements of volumes of Clear Lake Water diverted under this Agreement, reported by any means, electronic or otherwise, including the use of the District’s SCADA system or any reporting of diversions by LACOSAN at the Authorized Point of Diversion.

1.2. “Agreement” means this Clear Lake Water Supply Agreement, including any incorporated references herein, as it may be modified from time to time.

1.3. “Authorized Place of Use” refers to the service area identified by the terms of this Agreement in which Diverter are authorized to use Clear Lake Water, as provided for in the Diverter-Specific Schedule, section 2.

1.4. “Authorized Point of Diversion” means the point or points of delivery of water authorized under this Agreement.

1.5. “Authorized Use” refers to any use of Clear Lake Water authorized pursuant to the terms of this Agreement, as provided for in the Diverter-Specific Schedule, section 4.

1.6. “Declared Drought Emergency” refers to either a Proclamation of a State of Emergency by the Governor of the State of California, or any other emergency drought declaration by the Director of Emergency Services of Lake County or other local declaration applicable to District or Diverter.

1.7. “District” means the Yolo County Flood Control and Water Conservation District.

1.8. “Clear Lake Water” means any water, including Billed Water, Unbilled Water, or any combination of Billed Water and Unbilled Water, that Diverter are authorized to use under the terms of this Agreement.

1.9. “Diverter” means any and all Parties authorized to divert and use water as provided for under the terms of this Agreement, as further defined in the Diverter-Specific Schedule.

1.10. “Diverter-Specific Schedule” refers to the schedule of terms applicable specifically to Diverter attached to this Agreement and incorporated in full by reference.

1.11. “Effective Date” is the date set forth in the Diverter-Specific Schedule, section 6.

1.12. “Force Majeure” is defined in the Diverter-Specific Schedule Section 12.1.

1.13. “Monthly Statement of Water Usage” means the form provided by the District which shall be filled out by Diversers detailing Diverter’s water usage and calculating the charges owed by Diversers based on the terms of this Agreement. This form shall be filed with the District within 10 days after the end of the month being reported.

1.14. “Party” refers to District, LACOSAN or Diversers, individually.

1.15. “Parties” refers to District, LACOSAN and Diversers, collectively.

1.16. “Purchased Water” means any Clear Lake Water that Diverter is authorized to divert under this Agreement subject to the payment terms in section 8.

1.17. “Purchased Water Cap” means the annual maximum amount of Purchased Water that Diversers may divert during the calendar year under the terms of this Agreement, as provided for in the Diverter-Specific Schedule, section 5.

1.18. [Intentionally omitted.]

1.19. “Termination Date” means the date that this Agreement shall automatically terminate as provided for in the Diverter-Specific Schedule, section 10.

1.20. “Water Measurement Device” means a water flow measuring device consistent with the requirements of this Agreement to accurately measure Diversers’ diversion of Clear Lake Water pursuant to the terms of this Agreement.

1.21. “Water Year” means May 1 through April 30 of each year.

1.22. “Wholesale Water Rate” means the unit price for Water set by the District and charged to Diversers for its diversion of Purchased Water.

2. Recitals

This Agreement is made with reference to the following background recitals and the recitals in the Diverter-Specific Schedule:

2.1. The District is the holder of rights to store and divert water from Clear Lake for irrigation, domestic, municipal, and other beneficial uses.

2.2. The District withdraws water from Clear Lake pursuant to the operating criteria set forth in the March 27, 1978, Stipulation and Consent to Entry Judgment and Decree, amended March 30, 1995, in the case of *County of Lake v. Yolo County Flood Control and Water Conservation District* (Solano County Superior Court No. 58122).

2.3. The Parties acknowledge and agree that diversions affect Clear Lake aesthetics, recreation and water quality. The Parties recognize that the rate and timing of the diversion of Clear Lake Water is affected by pipeline and pump capacity and volumes of treated wastewater delivered to the Geysers by LACOSAN. In consideration of these factors, Diverters will target to divert no more than one-tenth of the Purchase Water Cap per month, but the Parties agree that actual per-month diversions may exceed this target. In consideration of these factors, Diverters will not exceed diversions of 2,000 acre-feet per month.

3. Authorization to Divert and Use Clear Lake Water

3.1. District authorizes Diverters to divert and use Clear Lake Water pursuant to the terms of this Agreement. Diverters' diversion and use of Clear Lake Water consists of Purchased Water.

3.2. Diverters may purchase from District Purchased Water up to the Purchased Water Cap, subject to terms in this Agreement.

4. Authorized Uses

Diverters shall be authorized to divert and use Clear Lake Water for the Authorized Uses and no other uses. Any unauthorized diversion and use of Clear Lake Water by Diverters shall be subject to the penalties as provided for in section 10.

5. Authorized Point of Diversion

5.1. Diverters agree that they shall divert Clear Lake Water from the Authorized Point of Diversion and no other points of diversion. Except for Clear Lake Water diverted under this Agreement; Diverters agree that they shall not divert any other water from Clear Lake during the term of this Agreement.

5.2. Diverters are responsible for all of the cost of providing, installing, operating, maintaining, repairing, and replacing all facilities and improvements necessary to divert, deliver, and otherwise avail itself of Clear Lake Water from and after the Authorized Point of Diversion. Diverters are also responsible for the diversion and delivery of water provided under this Agreement from and after the Authorized Point of Diversion and all associated costs. Any losses or reduction in water supply due to seepage,

evaporation or other causes after diversion of the water from the Point of Diversion shall be solely borne by Diverters.

6. Authorized Place of Use

Diverters shall use Clear Lake Water within the Authorized Place of Use and no other places. Any failure to use Clear Lake Water solely within the Authorized Place of Use shall subject Diverters to the penalty provisions of section 10.

7. Water Measurement and Reporting

7.1. Device. A water measurement device at the Authorized Point of Diversion approved by District shall be installed in accordance with the Diverter-Specific Schedule. Diverters will, at their sole cost, operate, repair, replace, and maintain in good working condition the water measurement device. Any failure by Diverters to operate and maintain a water measurement device consistent with the requirements of this section and Diverter-Specific Schedule shall be subject to the penalty provisions of section 10.

7.2. Requirements. The water measurement device shall be interoperable with the District's SCADA system and comply with applicable requirements of the State Water Resources Control Board's water measurement regulations (Cal. Code Regs., tit., 23, §§ 931-938) as they apply to Diverter's diversion of Clear Lake Water.

7.3. District Inspection. Diverter agrees to grant District access to Diverter's diversion facilities at the Authorized Point of Diversion to the extent necessary for, and for the purpose of, inspecting the water measurement device upon the District's reasonable request no less than 48 hours before such inspection. The District shall identify such date and time of any anticipated inspection in writing.

7.4. Reporting. Diverters shall timely submit to District such certifications and information regarding the water measurement device and Diverter's diversion of Clear Lake Water as District, the State Water Resources Control Board, or any other federal, state, or local agency may require.

8. Payment and Accounting for Clear Lake Water

8.1. Payment for Purchased Water. Diverters agree to pay for Purchased Water as calculated on the Monthly Statement of Water Usage. Purchased Water diverted in a given Statement period, as reported in the Monthly Statement of Water Usage, shall be rounded to the nearest hundredth of an acre-foot, then multiplied by the Wholesale Water Rate to calculate the charges owed by Diverters based on the terms of this Agreement. Within 60 days after the end of each month Diverters shall pay District for all Purchased Water diverted, as calculated in the Monthly Statement of Water Usage for such month, subject to the penalty provisions provided in Paragraph 10.

8.2. Wholesale Water Rate. The Initial Wholesale Water Rate and the procedure for adjusting the same to derive the annual Wholesale Water Rate during the Term of this Agreement is set forth in Section 7 of the Diverter-Specific Schedule.

8.3. Accounting. Diverters agree to account for all Clear Lake Water they divert. The Monthly Statement of Water Usage may be delivered to the District by mail or electronically but must be received by the District within 10 days of the end of each month, except that the first form shall be delivered within 30 days of execution of this Agreement and cover the period from the Effective Date through the last full month before execution. District may also request, in writing, copies of all supporting data that may be necessary to confirm the quantities of Clear Lake Water diverted and Diverters' compliance with the terms of this Agreement. Diverters shall provide the District such supporting data in the manner specified within 30 days of the date of the District's written request.

8.4. [Replaced by Diverter-Specific Schedule Section 12.3.]

9. Water Availability

9.1. [Replaced by Diverter-Specific Schedule Section 9.1.]

9.2. [Replaced by Diverter-Specific Schedule Section 9.2.]

9.3. Water Conservation. Parties acknowledge the critical importance of water conservation, especially during severe and emergency drought conditions. The District encourages Diverters to implement reasonable and prudent water conservation-related projects and programs in its use and diversion of Clear Lake Water.

10. Default and Remedies

10.1. Events of Default. The occurrence of each of the following events or conditions shall constitute an "Event of Default," subject to Diverters' opportunity to cure after District's Notice of Default, as specified hereinafter:

10.1.1. Late Monthly Statement of Usage: the failure of Diverters to submit to District the Monthly Statement of Usage by the due date.

10.1.2. Late Payments: the receipt by the District of any Diverter's payment for all Purchased Water it has diverted in any month after the time required under the provisions of Section 8.1.

10.1.3. Exceeding Purchase Water Cap: the diversion of Clear Lake Water in excess of the Purchase Water Cap in any Water Year.

10.1.4. Unauthorized Diversion or Use of Clear Lake Water: the diversion of Clear Lake Water by any Diverter from a point other than the Authorized Point of Diversion or the use of Clear Lake Water by any Diverter for other than an Authorized

Use, after a failure to cure such unauthorized diversion or use within 20 days after written notice by District (“Notice of Default”).

10.1.5. Bankruptcy or Debt Relief:

10.1.5.1. The commencement by a Diverter of any case, proceeding or other action under any existing or future Debtor Relief Law seeking (a) to have an order for relief entered with respect to it, (b) to adjudicate it as bankrupt or insolvent, (c) reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (d) the appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all of any substantial part of its assets or a general assignment for the benefit of its creditors;

10.1.5.2. There is commenced against a Diverter any case, proceeding or other action in the nature referred to in Section 10.1.5.1 above, which results in the entry of an order for relief or any such adjudication or appointment, or which remains undismissed, undischarged, unstayed or unbonded for 120 days;

10.1.5.3. A Diverter becomes unable to, or admits in writing its inability to, pay its debts as they become due; or

10.1.5.4. A Diverter takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in Section 10.1.5.

10.1.6. Loss of Operational Authority: if any Governmental Authority shall revoke, rescind, fail to renew, suspend or modify in any adverse manner any license, permit or franchise of a Diverter, and such revocation, rescission, non-renewal, modification or loss would prohibit Diverter from diverting Clear Lake Water for the Authorized Uses.

10.2. Procedure. Upon the occurrence of any of the events described in section 10.1, District shall invoke the remedies the District may be entitled to as a result, subject to any precedent Notice of Default specified in Section 10.1. If any Diverter reasonably believes that the Notice of Default is in error, the Diverter shall provide a written response containing any information and supporting documentation necessary to reasonably inform District of the error. A Diverter’s provision of a written response shall toll any subsequent dates and deadlines until District replies.

10.3. Remedies

10.3.1. Late Monthly Statements of Usage: the District shall provide written notice billing Diverters for Purchased Water determined using Actual Diversion Data, but where such data is not available District may estimate the usage but in no event bill greater than one twelfth of Diverters’ Purchased Water Cap. Diverters may cure default due to a late Monthly Statement of Usage by providing the late Monthly Statement of

Usage to District and timely paying District for all Purchased Water diverted in accordance with section 8.1. In the event that Diverters do not cure this breach, their payment of the amount billed by the District under the provisions of this Section 10.3.1 shall be due within 30 days of the date of the District's bill or on the date when payment under the missing Monthly Statement of Usage is due under the provisions of Section 8.1 herein, whichever is later.

10.3.2. Late Payments: Diverters shall owe a late payment penalty of 5% of the past due amount. Interest shall accrue on the unpaid balance at 4% per annum from the Event of Default until paid in full.

10.3.3. Exceeding Purchase Water Cap: Immediately upon either Diverters or District obtaining a daily SCADA measurement at the Authorized Point of Diversion that indicates Diverters have exceeded the Purchase Water Cap in any Water Year, Diverters shall immediately cease diverting Clear Lake Water. The Parties shall meet and confer in good faith to determine the terms under which any further diversion of Clear Lake Water may proceed in that Water Year. If the Parties are unable to reach an agreement in writing for such additional diversion, Diverters shall be prohibited from any further diversions of Clear Lake Water during the subject Water Year.

10.3.4. Unauthorized Diversion or Use of Clear Lake Water: Upon the failure of any Diverter to cure the diversion of Clear Lake Water from a point other than the Authorized Point of Diversion or the use of such water for other than the Authorized Use, the Diverter committing the Event of Default shall pay an unauthorized diversion or use fee equal to the maximum Wholesale Water Rate in Section 7 of the Diverter-Specific Schedule multiplied by the volume of such unauthorized diversion or use of the water, plus 5 %.

10.3.5. Bankruptcy or Debt Relief: If a Diverter experiences an Event of Default under Section 10.1.5 which has the legal or practical effect of preventing the Diverter from making one or more timely payments for Purchased Water, and such payment has not been received within sixty (60) days of the payment due date ("60-Day Nonpayment"), then such Diverter shall be prohibited from diverting Clear Lake Water under this Agreement, unless and until such Diverter brings current its payments to the District or District and Diverter agree within their sole and absolute discretion to an alternative payment plan. Each Diverter acknowledges that any 60-Day Nonpayment by a Diverter under this Section 10.3.5 would give rise to irreparable harm to the District for which monetary damages would not be an adequate remedy and hereby agrees that in event of a 60-Day Nonpayment by such Diverter, the District shall, in addition to any and all other rights and remedies that may be available to it in respect thereof, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond. Any relief obtained by the District

with respect to a 60-Day Nonpayment by one Diverter shall not interfere with the other Diverter's rights and obligations under this Agreement.

10.4. Remedies not Exclusive. The remedies provided in this Agreement shall not be exclusive of any other rights or remedies available to one Party against the other, at law or in equity. Remedies also include certain termination rights, as further described in Section 11.

11. Term

11.1. This Agreement shall become effective on the Effective Date and shall terminate on Termination Date, unless renewed pursuant to this section.

11.2. This Agreement may be terminated under the following circumstances:

11.2.1 by the District, with respect only to a defaulting Diverter, if the defaulting Diverter has not resumed payments within 180 days of the occurrence of an Event of Default under the provisions of Section 10.1.5 or within the time period in a payment plan agreed upon under the provisions of Section 10.3.5;

11.2.2 by the District, with respect only to a defaulting Diverter, after 180 days of the occurrence of an Event of Default under the provisions of Section 10.1.6 without such loss of operational authority being cured by the affected Diverter unless the Diverter is exercising diligent good faith efforts to cure the loss of operational authority; or

11.2.3 by any party under the provisions of Section 10.3 of the Diverter Specific Schedule.

11.3 If this Agreement is terminated only with respect to one Diverter, the Agreement shall continue in force as to the other Parties, and consistent with Section 5 of the Diverter-Specific Schedule, the Minimum Annual Volume shall be reduced to 1,250 acre-feet and shall be the obligation of the Diverter that remains a Party to the Agreement.

12. Indemnification

Each Diverter shall for its part indemnify, defend, protect, and hold harmless the District, and its directors, officers, employees and agents from and against any and all liability, losses, claims, damages, expenses, demands and costs (including, but not limited to, attorney, expert witness and consultant fees and litigation costs) (collectively, "Losses") resulting from or caused by any negligent act or omission, willful misconduct or violation of law of or by that Diverter or its officers, employees, agents or contractors acting pursuant to the terms of this Agreement, except where such Losses are caused by the sole negligence or willful misconduct of the District, or as otherwise provided or limited by law. Diverter shall have the right to approve District's selection of counsel with respect to any indemnification,

which approval shall not be unreasonably withheld. The Diverter's obligations under this indemnification provision shall survive the expiration or termination of this Agreement.

13. [Intentionally Omitted]

14. Diverter-Specific Terms Controlling

The terms in the Diverter-Specific Schedule, and in particular those in section 12 of the schedule, shall prevail over any contrary matters in the text of this main Agreement.

15. General Provisions

15.1. Compliance with Law. Diverters shall comply in all material respects with all applicable laws relating to Diverter's diversion or use of Clear Lake Water provided under this Agreement (including any applicable federal or state water conservation, drought condition, or water quality control statutes, regulations, or orders), and shall obtain, maintain and comply in all material respects with all federal, state and local permits, licenses and entitlements imposed on Diverters that may be required for the Diverter to divert, deliver, and use Clear Lake Water.

15.2. Water Quality. Diverters are solely responsible for the diversion, treatment, delivery, and use of Clear Lake Water. Water provided under this Agreement is raw, untreated and nonpotable. District does not warrant the quality of any water provided pursuant to the terms of this Agreement, assumes no responsibility with respect to the quality of such water, and assumes no obligation as to whether any of the water should be delivered and used without treatment, except as may be provided under the terms of this Agreement.

15.3. Rights Not Affected. Nothing in this Agreement shall affect or limit in any way the District's water rights and entitlements. Additionally, Diverters acknowledge that Diverters' diversion, treatment, delivery, and use of Clear Lake Water does and shall not affect or limit in any way the District's water rights and entitlements.

15.4. Inspection of Records. In addition to any other procedure provided for under the terms of this Agreement, upon reasonable notice, District shall be entitled to inspect and copy Diverters' records that pertain to Diverter's compliance with the terms of this Water Supply Agreement.

15.5. Amendment. This Agreement may be modified or amended only by a writing approved and signed by all Parties.

15.6. Notice. All notices or other written responses required to be sent under this Agreement shall be sent to (a) the Yolo County Flood Control and Water Conservation District, Attn: General Manager, 34274 State Highway 16, Woodland, CA 95695, with a copy to info@ycfcwcd.org, or (b) Diverters' Contact Information in the Diverter-Specific Schedule.

15.7. Entire Agreement. The Parties intend this document to be the sole, final, complete, exclusive and integrated expression and statement of the terms of the Parties' contract concerning the subject matter of this document. The Parties intend this Agreement to be an amendment and restatement of the 1994 Water Supply Agreement between District and LACOSAN. This Agreement supersedes all other prior oral or written negotiations, representations, or prior agreements between District and Diverters that may be related to the subject matter of this Agreement.

15.8. Waiver. The waiver at any time by any Party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter. No payment by the Diverters to the District shall be considered or construed to be an acceptance or waiver of any breach or default.

15.9. Severability. If any part of this Agreement is held to be void, invalid, illegal, or unenforceable, then the remaining parts shall continue in full force and effect and be fully binding, so long as the rights and obligations of the Parties are not materially or adversely affected.

15.10. No Third-Party Beneficiaries. This Agreement does not create and shall not be construed to create any third-party beneficiaries. This Agreement is for the sole benefit of the Parties (and their permitted transferees and assignees), and no other person or entity has enforceable rights or remedies under this Agreement.

15.11. Governing Law. This Agreement is governed by, construed and enforced in accordance with the laws of the State of California.

15.12. Further Assurances. Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary to effectuate the purposes and intent of this Agreement.

15.13. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the Parties, their respective heirs, successors (by merger, consolidation or otherwise), permitted assigns, devisees, administrators and representatives. Diverters may not assign any of their rights or delegate any of their obligations hereunder without the prior written consent of the District, which consent shall not be unreasonably withheld, conditioned, or delayed, except to another Party to this Agreement or to a subsidiary, affiliate or the other entity succeeding to all or substantially all of the Geysers geothermal interests of the assigning Party provided that such subsidiary, affiliate or succeeding entity assumes the assigning Party's obligations hereunder in writing. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder.

15.14. Relationship of Parties. Nothing in this Agreement shall be constructed to create an association, joint venture, trust or partnership, or to impose a trust of partnership covenant, obligation or liability on or with regarding to any one or more of the Parties.

15.15. Counterparts. This Agreement may be executed in counterparts and shall be deemed to constitute a single Agreement when executed by all Parties on the same Agreement.

By: _____
Shane Tucker
Chair, Board of Directors
Yolo County Flood Control and Conservation District

Approved as to Form:

By: _____
Ryan S. Bezerra
Attorney for Yolo County Flood Control and Conservation District

By: _____
Randy S. Howard
General Manager
Northern California Power Agency

Attest:

By: _____
Assistant Secretary of the Commission

Approved as to Form:

By: _____
Jane E. Luckhardt, General Counsel

By: _____
Aimee Blaine
Vice President and Authorized Signatory
Geysers Power Company, LLC

Attachments

Diverter-Specific Schedule, with attached Map

Diverter-Specific Schedule
to
Clear Lake Water Supply Agreement
between

**Northern California Power Agency, Geysers Power Company, Lake County
Sanitation District and**
Yolo County Flood Control and Water Conservation District

The Parties to this Diverter-Specific Schedule (“Schedule”) to the Clear Lake Water Supply Agreement (main Agreement) are Yolo County Flood Control and Water Conservation District (District), Lake County Sanitation District (LACOSAN), Northern California Power Agency and Geysers Power Company. Northern California Power Agency and Geysers Power Company are collectively referred to as Diverters or individually as Diverter. The main Agreement and this Schedule are referred to herein as the “Agreement.”

Recital. The Legislature created the District to address water issues within the District’s boundaries in Yolo County. The District also provides water under the District’s Clear Lake water right to municipal water suppliers in the Clear Lake basin. The Diverters acknowledge that the water the District can make available to the Diverters is water that is surplus to the District’s need to serve lands and residents within the District’s boundaries in Yolo County and to the needs of the municipal water suppliers to whom the District has water-supply obligations in Lake County. The parties acknowledge that the District has an obligation to serve customers within its boundaries, pursuant to the special act that created the District and governs it, namely the Yolo County Flood Control and Water Conservation District Act (West’s Water Code Appendix 65).

Recital. The Solano Decree governing the District’s withdrawal of water from Clear Lake was amended in 1995 to permit additional withdrawals from the Lake under the District’s water rights for the Geysers and for no other purpose. The Amended Solano Decree Clear Lake Operating Criteria—Revised provides the following:

b. Withdrawals Included in Seasonal Withdrawal - The allowable Seasonal Withdrawal shall include withdrawals by Yolo County Flood Control and Water Conservation for use within Yolo County, all withdrawals from the Lake for use within Lake County and diversions by LACOSAN under this Operating Criteria and the Water Supply Agreement entered into as of October 25, 1994, by and between Yolo County Flood Control and Water Conservation District, Lake County Sanitation District (“LACOSAN”) and the County of Lake (“Agreement”). When the adjusted May 1 Lake stage is equal to or greater than elevation 3.5', the allowable Seasonal Withdrawal will be increased by an amount equal to the LACOSAN withdrawal for use at the Geysers Project

during the next 12 months. This increase in the allowable Seasonable Withdrawal shall result in an increase in the allowable Monthly Withdrawal for any month by an amount equal to the LACOSAN withdrawal for that month. This increase in the District's allowable Seasonable Withdrawal shall not affect the amount of water the District is allowed to withdraw from Clear Lake for purposes other than diversion by LACOSAN as authorized under this Operating Criteria and the Agreement. Recital.

The Parties intend that this Agreement be an amendment/restatement and continuation of the 1994 Water Supply Agreement referenced in the Amended Solano Decree.

Recital. LACOSAN will operate the Clear Lake water diversion facilities on behalf of Diverters. Either LACOSAN or Diverters shall report daily diversions to District as required by Section 13 of this Diverter-Specific Schedule.

1. Diverters' Contact Information. For any notices required under this Agreement, District shall use the following contact information for Diverters:

Geysers Power Company
10350 Socrates Mine Road
Middletown, CA 95461
Attn: Vice President Geothermal Operations
geothermaloperations@calpine.com
(707) 431-6992

With a copy to:
Calpine Corporation
717 Texas Avenue, Suite 1000
Houston, Texas 77002
Attn: Chief Legal Officer
chiefleglofficer@calpine.com

Northern California Power Agency
P.O. Box 663
Middletown, CA 95461
Attn. Plant Manager
jim.beach@ncpa.com
(707) 809-6007

With a copy to:
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678
randy.howard@ncpa.com

For any notices required under this Agreement, District shall use the following contact information for LACOSAN:

Special Districts Administrator
230 N. Main Street
Lakeport, CA 95453
specialdistricts@lakecountyca.gov
(707) 263-0119

With a copy to:
County Counsel
County of Lake
255 N. Forbes Street
Lakeport, CA 95453
Lloyd.Guintivano@lakecountyca.gov
(707) 263-2321

2. Authorized Place of Use. Diverters are authorized to use diverted Clear Lake Water within the Geysers Geothermal Steam Field only, as shown on the ATTACHMENT TO DIVERTER SPECIFIC SCHEDULE, MAP DEPICTING AUTHORIZED POINT OF DIVERSION AND AUTHORIZED PLACE OF USE ("MAP").

3. Authorized Point of Diversion. Diverters are authorized to divert Clear Lake Water at the Authorized Point of Diversion only, as shown on the attached MAP.

4. Authorized Use. Diverters are only authorized to use Clear Lake Water for the following purposes: geothermal power and industrial uses in the Geysers Geothermal Steam Field.

5. Purchased Water Volumes. Diverters are subject to the annual Purchased Water Cap of 7,000 acre-feet, except as such additional amounts of Clear Lake Water may be diverted as Purchased Water according to the terms of Sections 12.4.4 and 12.4.5 of this Schedule. Beginning May 1, 2025, the minimum amount of Purchased Water for which the Diverters will pay each Diversion Year (May 1 through April 30) ("Minimum Annual Volume") is 2,500 acre-feet provided such water is available for diversion in accordance with Diverter-Specific Schedule Sections 9.2 and 12.4.2. In the event that one Diverter is unable to use any water for 90 days or more in any Diversion Year due to Force Majeure, bankruptcy or receivership, the Minimum Annual Volume shall be reduced to 1,250 acre-feet and shall be the obligation of the Diverter that is not impacted by Force Majeure, bankruptcy or receivership, provided such water is available for diversion in accordance with Diverter-Specific Schedule Sections 9.2 and 12.4.2. If the amount available for diversion is less than the applicable Minimum Annual Volume, the Minimum Annual Volume of Purchased Water for which the Diverters will pay shall be reduced correspondingly. Calculations of annual amounts diverted and amounts owed toward the Minimum Annual Volume, if any, shall be included with Diverters' April Monthly

Statement of Usage. By May 1 of each Diversion Year, the Diverters shall notify the District in writing of the amount of Purchased Water the Diverters intend to use in the following 12 months.

The Diverters will notify the District immediately upon execution of the Agreement of the volume of water they will divert for the May 1, 2025-April 30, 2026 year. The District anticipates that it will provide supplies up to the Purchased Water Cap in that year.

6. Effective Date. The effective date of this Agreement shall be May 1, 2025 (the “Effective Date”).

7. Initial Wholesale Water Rate. As of the Effective Date, each Diverter’s diversion and use of Clear Lake Water shall be subject to the following initial Wholesale Water Rates by volume diverted per Diversion Year: \$90/AF (0-4,500 AF), \$95/AF (>4,500 AF up to 6,000 AF), and \$105/AF (>6,000 AF up to 7,000 AF).

8. Annual Payment. Diverters shall pay District \$100,000 (“Annual Payment”) each Diversion Year by June 30, provided that the Annual Payment shall not be owed in any year in which Diverters are not permitted to divert any water otherwise available under Diverter-Specific Schedule Section 12.4.2 due to reductions pursuant to Diverter-Specific Schedule Section 9.2. The Diverters’ obligation to pay the Annual Payment shall be a joint and several obligation under this Agreement. Diverters’ first Annual Payment to District is due within 30 days of execution of this Agreement.

9. Water Availability

9.1 District’s Liability. District shall have no obligation to ensure water is available to Diverters. In no event shall the District or any of its directors, officers, employees or agents be held liable for any direct or indirect damage, loss, claim, expense or liability caused by or arising from any curtailment or shortage of Clear Lake Water, including the amount or rate of flow.

9.2 Force Majeure. District is excused from any obligation, including making water available to Diverters, that the District may have under this Agreement in the event that the District is rendered unable, wholly or in part, to carry out the obligation by a Force Majeure. District’s performance shall be suspended only during the continuance of the act, event, or condition. District shall minimize any reduction in water available for diversion to the extent reasonably possible, in both volume and duration, and shall strive to expeditiously remedy the Force Majeure and restore the capacity to divert up to the Purchased Water Cap. District agrees to perform all other obligations not affected by the act, event, or condition. District shall provide notice to Diverters to the extent reasonably practical as soon as potential impacts are reasonably foreseeable.

Diverters are excused from any obligation they may have under this Agreement in the event that a Diverter or LACOSAN is rendered unable, wholly or in part, to carry out

the obligation by a Force Majeure. Diverters' performance shall be suspended only during the continuance of the act, event, or condition, and they shall strive to expeditiously remedy the Force Majeure. Diverters agree to perform all other obligations not affected by the act, event, or condition. Diverters shall provide notice to District and LACOSAN to the extent reasonably practical as soon as potential impacts are reasonably foreseeable. If a Diverter is unable to make annual or per-acre-foot payments to the District for Purchased Water, the District shall have no obligation to make that water available to the non-paying Diverter during the time that the Diverter is unable to make those payments; however, District shall still be obligated to fulfill its obligations to a Diverter who is able to make its separate per-acre foot payment and the full Annual Payment to District.

10. Term; Termination Date; Renegotiation of Terms.

10.1 The term of the Agreement is 25 years.

10.2 The termination date is May 1, 2050.

10.3 District or Diverters has the option to give a 1-year notice of renegotiation of terms after the first 15 years and at the end of subsequent 5-year periods for a reason stated in this Diverter Specific Schedule Section 10.3. If no party gives notice of renegotiation prior to May 1, 2039, then the Agreement terms and conditions are extended without change to May 1, 2045. If no party gives notice of renegotiation prior to May 1, 2044, then the Agreement terms and conditions are extended without change to May 1, 2050. Upon a party giving a 1-year notice of renegotiation, District and Diverters will negotiate for at least 6 months in good faith and in an effort to continue serving the Geysers on terms that permit District to meet its other water supply, management, and financial obligations. If District and Diverters do not resolve the renegotiation within 6 months after a party's renegotiation notice, District or Diverters may demand that the renegotiation be submitted to mediation before a mutually agreeable mediator who does not possess a direct or indirect interest in any party or the subject matter of the mediation. No sooner than 6 months after a party's renegotiation notice or 3 months after completion of mediation, whichever is later, if District and Diverters have not agreed on new terms after engaging in negotiations in good faith, District or Diverters may give notice that it is terminating the Agreement. Based on that notice, the Agreement will terminate 6 months later, unless District and Diverters otherwise agree.

Reasons for renegotiation:

10.3.1. District: As to the volumes of water stated in Section 5, if regulatory or legal restrictions (e.g., Bay-Delta Water Quality Control Plan/Healthy Rivers and Landscapes Program, SGMA impacts) cause a material change to District's available water for delivery to its customers within the District or that are Clear Lake-area municipal water suppliers.

10.3.2 District: As to the Pricing Structure stated in Sections 7 and 8 in this Diverter-Specific Schedule, consistent with Section 8.2 of the main Agreement and on the specific terms stated below in the remainder of this Section 10.3.2, the District may give notice of renegotiation if the rate of increase in that Pricing Structure (“Price Escalator”) since this Agreement’s execution is lower than the rate of increase in the general rate of inflation, the District’s costs, its Clear Lake customer rates or in the District’s anticipated increase in its costs. Specifically, the District may give notice of renegotiation, with supporting documentation under this Section 10.3.2 in year 15 or year 20 as follows:

(A) at the beginning of year 15:

(i) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the SF Bay Area CPI “All items;” or

(ii) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the rate of increase in the District’s Outside of Service Area rates for other Clear Lake diverters under their contracts with the District; or

(iii) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the rate of increase in the District’s costs, including without limitation the District’s annual operational cost; its costs for repairs, maintenance and improvement of its capital assets; and its costs for regulatory compliance; or

(iv) if the District documents that the Price Escalator, if extended until the end of this Agreement’s term, would be lower than the rate of increase in the District’s projected future costs over the remaining term of this Agreement, as documented in the District’s capital improvement program or other estimate approved by the District’s Board of Directors.

(B) at the beginning of year 20:

(i) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the SF Bay Area CPI “All items;” or

(ii) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the rate of increase in the District’s Outside of Service Area rates for other Clear Lake diverters under their contracts with the District; or

(iii) if the District documents that the Price Escalator since this Agreement’s execution has been lower than the rate of increase in the District’s costs, including without limitation the District’s annual operational cost; its costs for repairs, maintenance and improvement of its capital assets; and its costs for regulatory compliance; or

(iv) if the District documents that the Price Escalator, if extended until the end of this Agreement's term, would be lower than the rate of increase in the District's projected future costs over the remaining term of this Agreement, as documented in the District's capital improvement program or other estimate approved by the District's Board of Directors.

10.3.3 District: Substantial impairment of District's ability to serve its customers based on objective findings.

10.3.4 Diversifiers: Material increase or decrease in need for water.

11. Intentionally omitted.

12. Diverter-Specific Modifications. Notwithstanding anything to the contrary in the text of the main Agreement, the following Diverter-specific terms apply:

12.1 Section 1.11 of the main Agreement is deleted and replaced with the following:

“‘Force Majeure’ means: (1) conditions, events or actions beyond the affected party’s reasonable control, including without limitation, acts of God, governmental orders or actions, floods, fires, earthquakes, cyber-attack, war, terrorism, other violent acts by third parties, riots, strikes, other similar labor disturbances, pandemics; (2) as to the District, (a) any condition, event or action affecting District water supply, (b) District water supply infrastructure, or (c) District’s ability to serve customers within the District or that are Clear Lake-area municipal water suppliers, as determined by the District in its reasonable discretion, that would preclude the District from making available to the Diverter all or part of the volumes of Clear Lake Water that the Diverter otherwise would be entitled to divert and use under this Agreement, whether in one Diversion Year or multiple Diversion Years, whether foreseeable or unforeseeable or whether the result of natural conditions or human activity; and (3) as to a Diverter, any new legal or practical constraints on its ability to inject the diverted water into the Geysers steam field.”

12.2. Section 8.2 of the main Agreement is deleted and replaced with the following:

“The Initial Wholesale Water Rates are set forth in the Diverter-Specific Schedule, sections 7, 12.4.3 and 12.4.4.4. The District may increase the Wholesale Water Rate on May 1 of each subsequent year by an amount that is the greater of one percent (1.0%) or the percent increase in the SF Bay Area CPI “All items,” but not more than three percent (3.0%) in any given year.”

12.3. Section 8.4 of the main Agreement is deleted and replaced with the following:

“Relationship Regarding Water Supplies. District and Diverter agree that District is providing extra-territorial water supplies to Diverter, subject to water availability, and that District’s sale of Clear Lake Water to Diverter is not a property-related fee or charge under California Constitution Article XIII D.”

12.4. Water Availability and Diversion Schedule.

12.4.1. The availability of Clear Lake Water for diversion and authorized use by Diverters shall be determined as provided in this section 12.4.

12.4.2. When the adjusted May 1 Clear Lake elevation is equal to and greater than 3.5 feet on the Rumsey Gauge, water is available for diversion by Diverters in accordance with the Amended Solano Decree and this Agreement. “Rumsey Gauge” means USGS Gauge 11450000 or any USGS replacement gauge measuring the level of Clear Lake.

12.4.2.1. Diverters shall not divert more water in any 30-day period than permitted by the Amended Solano Decree.

12.4.3. When the adjusted May 1 Clear Lake elevation is below 3.5 feet on the Rumsey Gauge, water may be made available for diversion by Diverters subject to District’s sole and absolute discretionary approval to be determined by May 10 of applicable years, based on request by Diverters for such diversions by no later than April 15. The initial Wholesale Water Rate for these diversions is \$125/AF. Any diversions under the provisions of this Section 12.4.3 are subject to and included within the Purchase Water Cap of 7,000 acre-feet.

12.4.4. Diverters may divert Clear Lake Water in excess of the Purchased Water Cap, in a total additional amount up to 950 acre-feet (>7,000 AF up to 7,950 AF) (“Excess Purchased Water”) subject to the following terms and conditions:

12.4.4.1. By September 30 of each Diversion Year, the Diverters shall notify the District in writing of the amount of the Excess Purchased Water Diverters are requesting for diversion in that Diversion Year;

12.4.4.2. If Diverters request any Excess Purchased Water in any year, then Diverters shall be obligated to pay for the amount of such Excess Purchased Water up to 500 acre-feet (“Minimum Excess Volume”) whether such 500 acre-feet are diverted or not, provided Clear Lake Water is available for diversion of the Minimum Excess Volume in accordance with Schedule Sections 9.2, 12.4.2, and 12.4.4 (e.g., if Diverters elect in writing by September 30 to take 950 AF of Excess Purchased Water, but only divert a total of 4,000 AF during the water year, Diverters would be obligated to pay for the 4,000 AF at the applicable rate from Section 7 of this Schedule, plus the

Minimum Excess Volume of 500 AF at the applicable rate in Section 12.4.4.4 of this Schedule); the obligations of Diverters to pay for the Minimum Excess Volume shall be subject to the same rules applicable to Diverters under Section 5 of this Schedule, with respect to Minimum Annual Volume (i.e., regarding instances of one Diverter unable to use the water, Excess Purchased Water unavailable to Diverters within the Minimum Excess Volume of 500 AF, and payment for the Minimum Excess Volume based on Diverters' April Monthly Statement;

12.4.4.3. If the Clear Lake elevation as of February 1 of the Diversion Year is equal to or greater than 6.2 feet on the Rumsey Gauge, then Diverters shall thereafter be entitled to divert Excess Purchased Water up to the amount requested according to Section 12.4.4.1;

12.4.4.4. If the Clear Lake elevation as of February 1 of the Diversion Year is less than 6.2 feet on the Rumsey Gauge, then any diversion of Excess Purchased Water shall be subject to the sole and absolute discretionary approval by the District;

12.4.4.4. The initial Wholesale Water Rate for any diversions of Excess Purchased Water shall be \$150/AF.

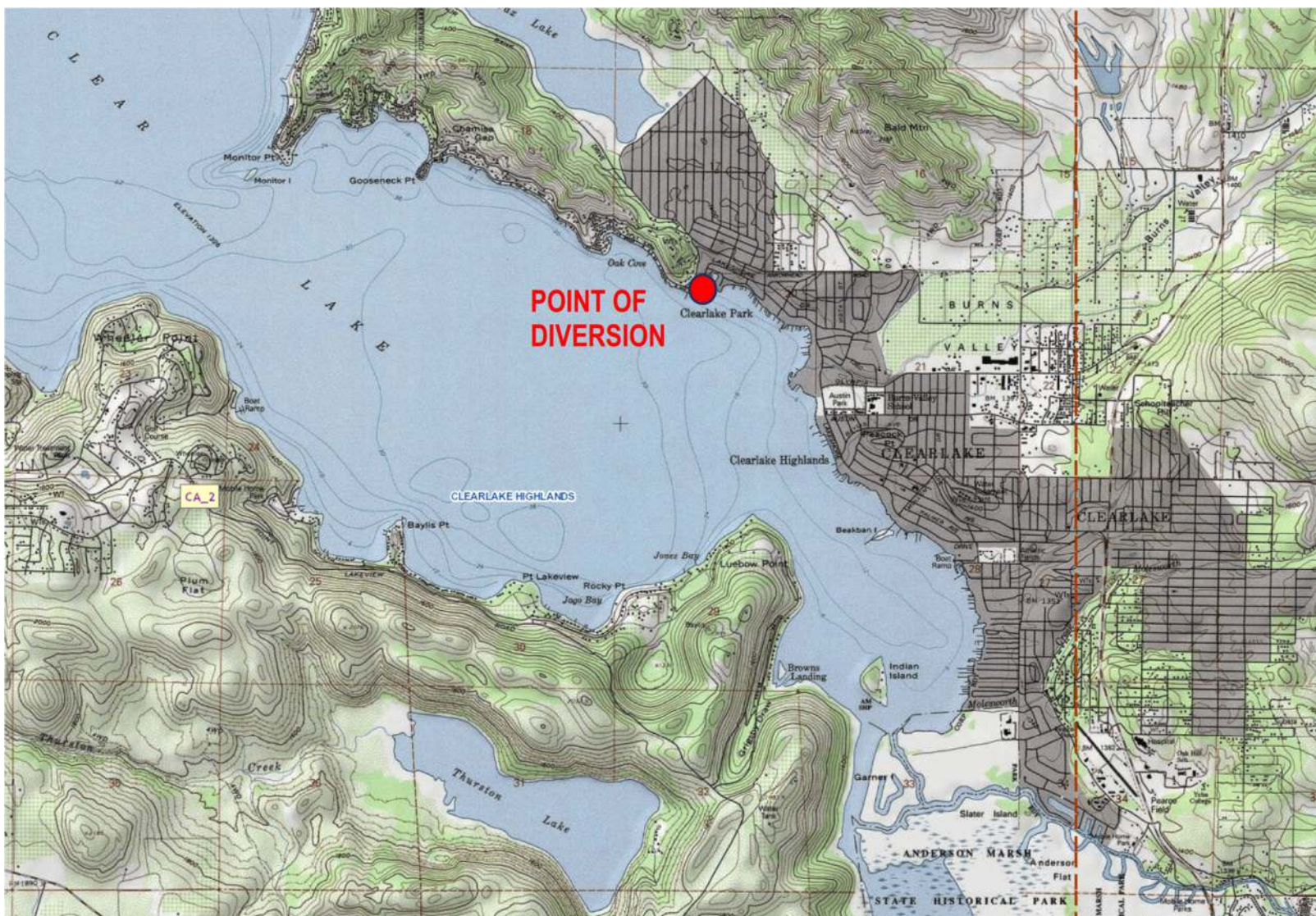
12.4.5 District may, in its sole and absolute discretion, offer water available for diversion by Diverters under flood release or other hydrologic conditions not specified above, subject to terms to be mutually agreed upon by District and Diverters.

13. Water Measurement. Immediately upon execution of this Agreement, Diverters shall begin reporting diversions under this Agreement to the District on a daily basis, collectively, both individually or through LACOSAN. The Diverters' reporting shall be electronic to the email address or other electronic destination identified by the District. LACOSAN and Diverters shall exercise reasonable efforts to ensure that District timely connects the point of diversion water measurement device to the District's SCADA system for the purpose of the District being able to obtain real-time diversion data under this Agreement. Promptly upon determining that District will not be able to connect the point of diversion to the District's SCADA system within six (6) months of this Agreement's execution, the District shall immediately notify the Diverters and the Parties shall meet promptly, and at least once a month thereafter, to determine when the point of diversion will be able to connect to the District's SCADA system. When the LACOSAN point of diversion is connected to the District's SCADA system, the Diverters may cease their daily diversion reporting to the District. The Parties agree that the water measurement device used under this Agreement shall be at least 98% percent accurate or within ± 2 percent error. District or Diverters shall regularly calibrate the measurement device in accordance with the device manufacturer's recommendations.

14. Headings. The headings of paragraphs in this Diverter-Specific Schedule are for informational purposes only and shall not inform the interpretation of this Agreement's terms.

15. An alleged breach of the Agreement by one Diverter shall not be deemed a breach by another Diverter under Section 10 of the main Agreement, except for the Annual Payment and applicable Minimum Annual Volume payment obligation in Sections 5 and 8 of this Diverter-Specific Schedule. Any penalties assessed against one Diverter under Section 10.3 of the main Agreement shall not be jointly assessed against another Diverter, but may only be assessed individually, except relating to the Annual Payment obligation in Section 8 of this Diverter-Specific Schedule. If indemnification of the District by a Diverter is required under Section 12 of the main Agreement, that obligation shall be severable between the Diverters, such that an indemnification obligation caused by the acts or omissions of one Diverter shall not result in an indemnification obligation of the other Diverter. Any remedies available to District against a specific Diverter under the Agreement shall not be applied to a different Diverter unless it individually qualifies for imposition of those remedies. Any cause to terminate the Agreement by District due to the actions or omissions of a Diverter shall not cause a basis for termination of the Agreement as to the other Diverter, except relating to the applicable Minimum Annual Volume obligation in Section 5 and to the Annual Payment obligation in Section 8 of this Diverter-Specific Schedule.

MAP DEPICTING AUTHORIZED POINT OF DIVERSION



MAP DEPICTING AUTHORIZED PLACE OF USE

GEYSERS GEOTHERMAL STEAM FIELD

