

**MEMORANDUM OF UNDERSTANDING FOR COST SHARING FOR INTEGRATED LICENSING PROCESS CONSULTANT**

The signatory Parties to the “Second Amended Planning Agreement for the Potter Valley Project” (Attachment A), as may be further amended (“Second Amended Planning Agreement”), hereby agree to this Memorandum of Understanding for Cost Sharing for Integrated Licensing Process Consultant (“MOU”), effective December 15, 2020.

**RECITALS**

**WHEREAS**, California Trout, Inc., Mendocino County Inland Water and Power Commission, Sonoma County Water Agency, the County of Humboldt, and the Round Valley Indian Tribes (collectively “Parties”) have agreed to work together to study the feasibility of forming a regional entity as successor licensee to Pacific Gas and Electric Company (“PG&E”) and an application for a license for the Potter Valley Project (“Project”) that will advance the Parties’ Shared Objectives set forth in the Second Amended Planning Agreement in a manner that reflects the goals of the Two-Basin Solution proposed by the Potter Valley Project Ad Hoc Committee; and

**WHEREAS**, recognizing that resources will be required to further the Federal Energy Regulatory Commission’s (“FERC”) Integrated Licensing Process (“ILP”) towards applying for a license for the Project, the Parties have agreed to fund the effort in an amount of at least \$420,000, and such funds will be used to engage joint consultants; and

**WHEREAS**, California Trout, Inc., Mendocino County Inland Water and Power Commission, Sonoma County Water Agency, and the Round Valley Indian Tribes have each agreed to contribute \$100,000, and the County of Humboldt has agreed to contribute \$20,000; and

**NOW, THEREFORE**, Parties hereto agree as follows:

1. **Purpose.** The purpose of this MOU is to establish protocols for collecting and managing those funds and for sharing of costs associated with furthering FERC’s ILP and developing a license application for the Project that will advance the Shared Objectives set forth in the Second Amended Planning Agreement.
2. **Definitions.**
  - a. “Consultant” shall mean the technical consultant or consultant team contracted with Sonoma County Water Agency (“Sonoma Water”) to further FERC’s ILP and develop a license application proposal for the Project that will advance the Shared Objectives set forth in the Second Amended Planning Agreement. The contract between the Consultant and Sonoma Water is attached hereto as Exhibit “A”.
  - b. “Funds” means any and all moneys collected by the Parties for the purpose of paying the Shared Costs.
  - c. “Shared Costs” means any and all costs incurred or expended for services provided by the Consultant.
  - d. “Account” means the specially designated account created and administered by Sonoma Water for receipt and disbursement of the Funds.

3. **Oversight.** The Parties designate Sonoma Water as the party responsible for custody, oversight and management of the Funds and payment of the Shared Costs. Such oversight and management shall include, without limitation:

- a. Creation of the Account;
- b. Prompt payment of invoices submitted pursuant to the terms of the agreement for services with the Consultant; and
- c. Preparation and distribution to the Parties of a written monthly accounting of the Funds.
- d. Sonoma Water shall have no obligation to invest in interest-bearing accounts the portion of the Funds that is not disbursed.

4. **Payment.** The Parties shall deliver the Funds to Sonoma Water for deposit into the Account within thirty (30) days after the date of execution of an agreement for services with the Consultant.

5. **Invoices.** Consultant shall be instructed to submit all invoices to Sonoma Water, and each invoice shall show the work performed during that invoice period and the total of the Shared Costs to be paid by the Parties that deposited Funds with Sonoma Water. The Parties authorize Sonoma Water to approve the services and pay for them with the Funds deposited into the Account. Sonoma Water shall forward copies of the invoices in electronic form to each of the Parties within seven (7) days of the date of payment of the invoice.

6. **Ownership of Work Product.** All reports, original drawings, graphics, plans, studies, and other data or documents (“documents”), in whatever form or format, assembled or prepared by the Consultant or Consultant’s subcontractors, consultants, and other agents in connection with this Agreement shall be the joint property of each Party. Each Party shall be entitled to immediate possession of such documents upon completion of the work pursuant to the agreement with the Consultant. Such documents shall be and will remain the property of each individual Party without restriction or limitation.

7. **General.** This MOU implements the Second Amended Planning Agreement and shall be administered consistently with its terms.

8. **Counterpart Execution.** This MOU may be executed in separate counterparts, each of which when so executed and delivered will be an original. All such counterparts will together constitute but one and the same instrument.

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

CALIFORNIA TROUT,  
INC.

By: \_\_\_\_\_  
Curtis Knight  
Executive Director

MENDOCINO COUNTY INLAND WATER & AND POWER COMMISSION

By: \_\_\_\_\_  
Janet K. F. Pauli  
Chair, Board of Commissioners

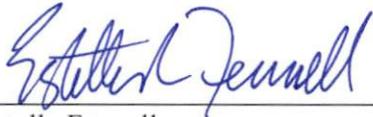
Date: \_\_\_\_\_

SONOMA COUNTY WATER AGENCY

By: \_\_\_\_\_  
Grant Davis  
General Manager

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

COUNTY OF HUMBOLDT

By:  \_\_\_\_\_  
Estelle Fennell  
Chair, Board of Supervisors

Date: 12/15/2020

ROUND VALLEY INDIAN TRIBES

By: \_\_\_\_\_  
James Russ  
President

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