



RESOLUTION No. 2018-35

OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

APPROVING AND AUTHORIZING EXECUTION OF THE FOLLOWING AGREEMENTS WITH PACIFIC GAS AND ELECTRIC COMPANY: (i) THE COORDINATED OPERATIONS AGREEMENT; (ii) THE DEER CREEK ASSET SALE AND PURCHASE AGREEMENT; AND (iii) THE DEER CREEK WHEELING AGREEMENT

WHEREAS, PG&E and NID have negotiated a Coordinated Operations Agreement that is the successor to the Parties' Consolidated Contract Part II. The Coordinated Operations Agreement will continue ongoing coordinated operations of PG&E and NID which have been occurring since approximately 1963, such that coordinated operations of PG&E and NID of their respective Drum – Spaulding Project and Yuba – Bear Project will continue without interruption.

WHEREAS, the effectiveness of the Coordinated Operations Agreement is conditioned upon receipt of all necessary regulatory approvals, including specifically, approval by the California Public Utilities Commission; and

WHEREAS, PG&E and NID have negotiated the Deer Creek Asset Sale and Purchase Agreement (“Deer Creek PSA”), pursuant to which PG&E will sell and transfer, and NID will purchase and acquire, the Deer Creek Assets.

WHEREAS, the Deer Creek Assets consist of portions of the South Yuba Canal, and the Deer Creek electrical generation facilities, appurtenant facilities and equipment, property, lands, and interests in land.

WHEREAS, NID’s purchase and acquisition of the Deer Creek Assets will not affect the ongoing operations of the Deer Creek Assets.

WHEREAS, the closing of the Deer Creek PSA is conditioned upon receipt of all necessary regulatory approvals, including the approval of the Federal Energy Regulatory Commission and the California Public Utilities Commission.

WHEREAS, NID and PG&E have negotiated the Deer Creek Wheeling Agreement, pursuant to which the Parties intend to memorialize PG&E's, and its successors', obligation, upon the closing of the Deer Creek PSA, to convey and deliver NID Water from the terminus of NID's Bowman-Spaulding Conduit to the point on the South Yuba Canal where NID will take ownership, pursuant to the terms and conditions set forth therein.

WHEREAS, the effectiveness of the Wheeling Agreement is conditioned upon receipt of all necessary regulatory approvals.

NOW, THEREFORE, BE IT RESOLVED, The Board of Directors hereby approves the Coordinated Operations Agreement and authorizes the General Manager to execute said agreement and all documents useful and necessary to complete and perform the Agreement and obtain necessary regulatory approvals contemplated therein.

BE IT FURTHER RESOLVED, The Board of Directors hereby approves the Deer Creek Asset Sale and Purchase Agreement and authorizes the General Manager to execute said Agreement and all documents useful and necessary to complete and perform the Agreement and obtain necessary regulatory approvals contemplated therein. Such authorization includes specifically, but without limitation, the authority to execute and record documents relating to lands and interests in lands contemplated by the Agreement.

BE IT FURTHER RESOLVED, The Board of Directors hereby approves the Deer Creek Development Wheeling Agreement and authorizes the General Manager to execute said Agreement between Nevada Irrigation District and Pacific Gas & Electric Company and execute all documents useful and necessary to complete and perform the Agreement and obtain necessary regulatory approvals contemplated therein.

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PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 14th day of November 2018, by the following vote:

AYES:	Directors:
NOES:	Directors:
ABSENT:	Directors:
ABSTAINS:	Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors