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December 12, 2022

**Advice 6784-E**  
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Fall River Mills Land Retained - Request for Approval under Decision (D.) 08-11-043, D.03-12-035, D.10-08-004 and Public Utilities Code Section 851**

**Purpose**

Pursuant to the streamlined procedures adopted by the California Public Utilities Commission (Commission or CPUC) in Decision D.08-11-043 (as modified by D.10-08-004), Pacific Gas and Electric Company (“PG&E”) requests a disposition letter approving PG&E’s encumbrance with a perpetual Conservation Easement to approximately 2,446 acres of land in Shasta County, commonly known as Fall River Mills (“Property”). The Shasta Land Trust (“SLT”), a California public benefit corporation, will hold the Conservation Easement. PG&E will retain fee title to the Property and the Conservation Easement will be granted subject to certain reserved rights in favor of PG&E for the continued operation of hydroelectric and water delivery facilities. The perpetual encumbrance of the Property is being made in the public interest and will protect and preserve the Beneficial Public Values (“BPVs”) on the Property, including the habitat of fish, wildlife and plants, forest resources on the Property, the scenic viewshed of the Property, outdoor recreation, agriculture and identified historic and cultural values by restricting any use of the Property that would significantly impair or interfere with the protection of these values. This transaction is in accordance with the terms and conditions specified in the Settlement Agreement and Stipulation that were approved by the Commission in D.03-12-035 (“Stipulation”).

**Background**

Pursuant to the Stipulation, the Pacific Forest and Watershed Lands Stewardship Council (“Stewardship Council”) was established in 2004 to develop a plan to permanently protect, for the benefit of the citizens of California, more than 140,000 acres of watershed lands (“Watershed Lands”) owned by PG&E. This effort is known as PG&E’s Land Conservation Commitment (“LCC”). PG&E is fulfilling its commitment through fee donation of certain Watershed Lands and/or the conveyance of Conservation Easements, (or satisfactory assurance in another

form) that each parcel will be managed consistent with the purpose of the LCC. PG&E will not make fee simple donations of lands that contain hydroelectric project features, hydroelectric projects licensed by the Federal Energy Regulatory Commission ("FERC"), or properties whose ownership is otherwise required for utility operations. The Stipulation also includes provisions to ensure the rights necessary to operate and maintain current and future hydroelectric and associated water delivery facilities are reserved, and the existing agreements for economic uses will be honored.

A detailed description of this proposed donation, which addresses the requirements set forth in Section 12(a) of the Stipulation, is provided in the attached Land Conservation and Conveyance Plan (Attachment A) prepared by the Stewardship Council and approved by their Board of Directors. Land Conservation and Conveyance Plans will be issued serially for all Watershed Lands and together will comprise the Land Conservation Plan Volume III.

### **Property Specific Considerations**

In accordance with the streamlined procedure adopted by the Commission in D.08-11-043 (as modified by Decision 10-08-004), PG&E provides the following information as required by Ordering Paragraph 2:

#### **(1) Identity of the Conservation Property**

The Property comprises approximately 2,446 acres of land, identified as Parcels 107-110, 112, 113, 115-117, 119-132, 134-173 and 211 on the map included in Attachment A, pages 4-6, and are located in Shasta County. The Property is mostly surrounded by private properties, other PG&E parcels and Bureau of Land Management property.

#### **(2) Type of Property Interest Disposition**

Per Stewardship Council recommendation, PG&E will convey a Conservation Easement (Attachment B) to SLT to permanently protect the BPVs on the Property. PG&E will not receive nor claim any monetary proceeds or tax benefits from this transfer (Attachment C).

The value of this transaction is equal to the difference between the fair market value of the property unrestricted by the Conservation Easement and the fair market value of the property immediately after the imposition of the Conservation Easement (i.e., the diminution in taxable value that occurs as a result of the encumbrance of a property by a Conservation Easement).

Article XIII, Section 19 of the State Constitution grants the State Board of Equalization (SBE) the authority to annually assess properties owned or used by electric or gas utility companies for the purposes of taxation. The SBE's

Statement of No Tax Benefit (Attachment C) states no changes will be made to the methodology used for assessing property value and that no change in the assessed value is anticipated following the transfer of the Conservation Easement. For this reason, the transaction value related to the conveyance of the Conservation Easement to SLT is deemed to be zero dollars (\$0).

A. Property Encumbrances and Uses

There are recorded encumbrances on the Property to be retained by PG&E for a right of way along the mill race, water pipeline, a right to use for power and all other purposes except irrigation, highways, roads, a grazing right of way that includes fencing and right to inundated water, electric transmission and distribution pole lines, a water ditch, underground sewage facilities, water storage tanks, sprinkler pipelines, communication facilities and an environmental restriction. There are unrecorded encumbrances for existing agreements for economic use on the Property for a residence and livestock grazing.

The Stipulation includes provisions to ensure the rights necessary to operate and maintain current and future hydroelectric and associated water delivery facilities are reserved, and the existing agreements for economic uses will be honored. Compliance with these requirements is reflected in the Conservation Easement (Attachment B, pages 3, 6, 11, 12 and Exhibit H).

B. Public Access

The public may access the Property via Cassel Fall River Road, Guest Ranch Road, State Highway 299, Hat Creek Powerhouse No. 1 Road, Hat Creek Powerhouse No. 2 Road and various PG&E roads. Parcels 197 and 199 do not have vehicular access.

Consistent with the requirements of it's FERC license, PG&E provides formal recreational facilities on the Property. Those facilities include the Fall River Lake day Use Group Picnic Area, Fall River Lake Day Use Fishing Access, Fall River Lake Day Use Picnic Area, Fall River Lake Boat Ramp, Pit River Access at Cassel Bridge and Fall River Pond River Access. Public access to the Property will not be changed as a result of the donation of the Conservation Easement. Sections 9.2 and 9.3 of the Conservation Easement recognize that informal public uses may occur on the Property, and that public access is or may be inherent in the enjoyment of the informal uses and existing BPVs, and that existing public access will be allowed to continue subject to PG&E's ability to impose reasonable rules and regulations.

C. PG&E's Assumption of Liability

Section 12(f) of the Stipulation requires that PG&E hold the donee and/or conservation organization harmless for hazardous waste or substance liability. Fulfillment of this requirement is reflected in the Conservation Easement (see page 24 of Attachment B).

A partial environmental assessment of the Property, consisting of interviews, a review of historical aerial photos and a review of historical and regulatory documents was performed in 2010 to identify potential environmental issues. No significant issues were identified during the assessment.

**(3) Legal Name and Location of Receiving Parties**

Shasta Land Trust  
5170 Bechelli Lane,  
Redding, CA 96002  
Attn: Executive Director

**(4) Proposed Uses and Conservation Management Objectives:**

As set forth in the Stipulation, the cornerstone of the Land Conservation Commitment is its requirement that the Watershed Lands be preserved and enhanced for the following broad range of BPVs, which are as follows:

- Protection of the Natural Habitat of Fish, Wildlife, and Plants
- Sustainable Forestry
- Outdoor Recreation by the General Public
- Preservation of Open Space
- Historic and Cultural Values
- Agricultural Uses

The Conservation Easement for the Property ensures permanent protection of those BPVs listed in the Stipulation that are present on the Property. Exhibit D of the Conservation Easement (Attachment B) provides that the following BPVs are protected on this Property. These are:

**A. Protection of the Natural Habitat of Fish, Wildlife, and Plants**

Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term "habitat" includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term "native" refers to plants and animals that occur naturally on the Property and are defined as "native" by the California Department of Fish & Wildlife and its successors.

**B. Sustainable Forestry**

Forest resources on the Property. Forest resources consist of mixed conifer and riparian vegetation that provides protection for wildlife and fisheries.

**C. Preservation of Open Space**

The scenic viewshed of the Property in keeping with the surrounding Environment, providing a contiguous forested landscape.

**D. Preservation of Historic and Cultural Values**

Historical and cultural values, to the extent they are protected by state and federal law.

**E. Outdoor Recreation by the General Public**

Outdoor recreation in the form of passive recreational pursuits such as hiking, fishing, sightseeing, rafting, boating, swimming and picnicking.

**F. Agricultural Uses**

Agriculture in the form of grazing.

**(5) Environmental Information**

The proposed conveyance of a Conservation Easement constitutes no proposed changes to land use; thus, no direct or indirect environmental impacts will occur as a result. Therefore, the transaction does not constitute a "project" under the California Environmental Quality Act (CEQA). Accordingly, as stated in D.99-12-030 (pages 7 and 9), this advice letter process is not subject to review under CEQA.

**Tribal Lands Policy**

The Tribal Lands Policy does not apply to this transaction because the guidelines contained in Resolution E-5076 clarify that the policy only applies to fee transactions. (Resolution, p. 59, ¶ 12-13.) On a going forward basis, the land subject to this Advice Letter will be subject to the Tribal Lands Policy for future transactions, if any. (Resolution, p. 59, ¶ 16.)

## **Native American Engagement**

Consistent with existing practice for LCC transactions, PG&E is serving this Advice Letter to the Tribes and Native American entities affected by the proposed transaction as identified by the Stewardship Council's outreach process. The Stewardship Council's outreach process includes noticing to those tribal contacts as identified through CAL FIRE's Native American Contact List, which the Native American Heritage Commission assisted in creating and provides ongoing updates and issue resolution assistance.<sup>1</sup>

## **PG&E's Review & Finding**

PG&E has reviewed the transaction and documents herein, and has determined that the proposed transaction is compliant with requirements of the Stipulation. Additionally, this transaction will not have an adverse effect on the public interest or on the ability of the utility to provide safe and reliable service to customers at reasonable rates.

## **Protests**

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than January 3, 2022, which is 22<sup>2</sup> days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II  
Director, Regulatory Relations  
c/o Megan Lawson  
E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name and e-mail address

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<sup>1</sup><https://www.fire.ca.gov/programs/resource-management/resource-protection-improvement/environmental-protection-program/cultural-resources-management-program/>

<sup>2</sup> Pursuant to Rule 1.5 of General Order 96-B, PG&E requests to extend the protest period by two additional days because twenty days following submission of this advice letter is Sunday, January 1, 2023, and the New Year holiday will be observed on Monday, January 2, 2022.

of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

**Effective Date**

Pursuant to the review process outlined in D.08-11-043, as modified by D.10-08-004, PG&E requests that this **Category 1** advice filing become effective as soon as possible.

**Notice**

In accordance with General Order 96-B, Section IV, and D.08-11-043, as modified by Decision 10-08-004, a copy of this advice letter is being sent electronically to parties shown on the attached list, Service List A.08-04-020 and I.02-04-026, Appendix A and additional parties identified by the Stewardship Council. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs>.

/S/  
Sidney Bob Dietz II  
Director, Regulatory Relations

**Attachments:**

- A Land Conservation and Conveyance Plan
- B Deed of Conservation Easement and Agreement
- C State Board of Equalization Statement of No Tax Benefit

Note: The Transaction Agreement between PG&E and Shasta Land Trust is available upon request.

cc: Service List Appendix A - Advice Letter 6784-E  
Erin Healy, Stewardship Council  
Service List A.08-04-020, 1.02-04-026  
Additional Parties Identified by the Stewardship Council

\*\*\*\*\* **SERVICE LIST Advice 6784-E \*\*\*\*\***  
**Appendix A**

\*\*\*\*\* **AGENCIES** \*\*\*\*\*

Jonathan Reiger  
Legal Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 355-5596  
jzr@cpuc.ca.gov

Mary Jo Borak  
Energy Division  
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San Francisco, CA 94102  
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bor@cpuc.ca.gov

Robert (Mark) Pocta  
Office of Ratepayer Advocates  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703- 2871  
rmp@cpuc.ca.gov

Michael Rosauer  
Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2579  
fly@cpuc.ca.gov

Shasta Land Trust  
5170 Bechelli Lane,  
Redding, CA 96002  
Attn: Executive Director

Stewardship Council  
Attention: Executive Director  
8863 Greenback Lane #326  
Orangevale, CA 95662  
Telephone: (916) 297-6660



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (U 39 E)

Utility type:

ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Stuart Rubio

Phone #: (415) 973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: SHR8@pge.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric  
PLC = Pipeline

GAS = Gas  
HEAT = Heat

WATER = Water

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 6784-E

Tier Designation: 1

Subject of AL: Fall River Mills Land Retained - Request for Approval under Decision (D.) 08-11-043, D.03-12-035, D.10-08-004 and Public Utilities Code Section 851

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.08-11-043, D.03-12-035, D.10-08-004

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and correspondence regarding this AL are to be sent via email and are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

California Public Utilities Commission  
Energy Division Tariff Unit Email:  
[EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx: (415)973-2093  
Facsimile (xxx) xxx-xxxx:  
Email: PGETariffs@pge.com

Contact Name:  
Title:  
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

CPUC  
Energy Division Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

**Clear Form**

**Attachment A**

**Land Conservation and Conveyance Plan**

# Final LCCP

June 24, 2020

Updated November 28, 2022



## Land Conservation and Conveyance Plan

Lands to be retained by PG&E at the  
Fall River Mills Planning Unit

## **Executive Summary**

### **Subject**

LCCP Fall River Mills Planning Unit (PG&E Retained Lands)

Land Conservation Plan Identification Numbers (Parcels) 107-110, 112,113, 115-117, 119-132, 134-173, and 211 as shown on the map attached as Exhibit 1.

### **Type of Property Interest Disposition**

- PG&E to retain fee simple title to approximately 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 of the Fall River Mills planning unit.
- Shasta Land Trust (SLT) to hold the conservation easement on the 2,446 acres of Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211.

### **Summary**

The 4,837-acre Fall River Mills planning unit includes 71 legal parcels. Approximately 2,446 acres of the planning unit within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 will be retained by PG&E and are the subject of this LCCP. Pending California Public Utilities Commission (CPUC) and Federal Energy Regulatory Commission (FERC) approval, PG&E and SLT will enter into a conservation easement that will encumber the 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211. Additional property within the planning unit has been donated to the Pit River Tribe, Fall River Resource Conservation District, and Fall River Valley Community Services District and is addressed in separate Land Conservation and Conveyance Plans (LCCPs).

### **Property Location**

The property subject to this LCCP consists of 2,446 acres in Shasta County at the Pit 1 Forebay and along the Pit River and Pit 1 hydroelectric project.

### **Economic Uses and Agreements**

There are recorded encumbrances on the Property to be retained by PG&E for a right of way along the mill race, water pipeline, a right to use for power and all other purposes except irrigation, highways, roads, a grazing right of way that includes fencing and right to inundated water, electric transmission and distribution pole lines, a water ditch, underground sewage facilities, water storage tanks, sprinkler pipelines, communication facilities and an environmental restriction. There are unrecorded encumbrances for existing agreements for economic use on the Property for a residence and livestock grazing.

## **Preserving and/or Enhancing the Beneficial Public Values**

The conservation easement for Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 within the Fall River Mills planning unit lists the following Beneficial Public Values (BPVs) that are to be protected:

- Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term “habitat” includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term “native” refers to plants and animals that occur naturally on the Property and are defined as “native” by the California Department of Fish & Wildlife and its successors.
- Forest resources on the Property. Forest resources consist of mixed conifer and riparian vegetation that provides protection for wildlife and fisheries.
- The scenic viewshed of the Property in keeping with the surrounding environment, providing a contiguous forested landscape.
- Outdoor recreation in the form of passive recreational pursuits such as hiking, fishing, sightseeing, rafting, boating, swimming, and picnicking.
- Historical and cultural values, to the extent they are protected by state and federal law.
- Agriculture in the form of grazing.

## **Tax Neutrality**

PG&E will continue to own and pay property taxes on the property.

## **Hazardous Waste Disclosure**

PG&E confirmed it has provided the Fall River Mills Planning Summary of Potential Environmental Issues, prepared by AMEC Geomatrix, Inc., dated September 8, 2010, to SLT, fulfilling the disclosure requirements of the Land Conservation Commitment.

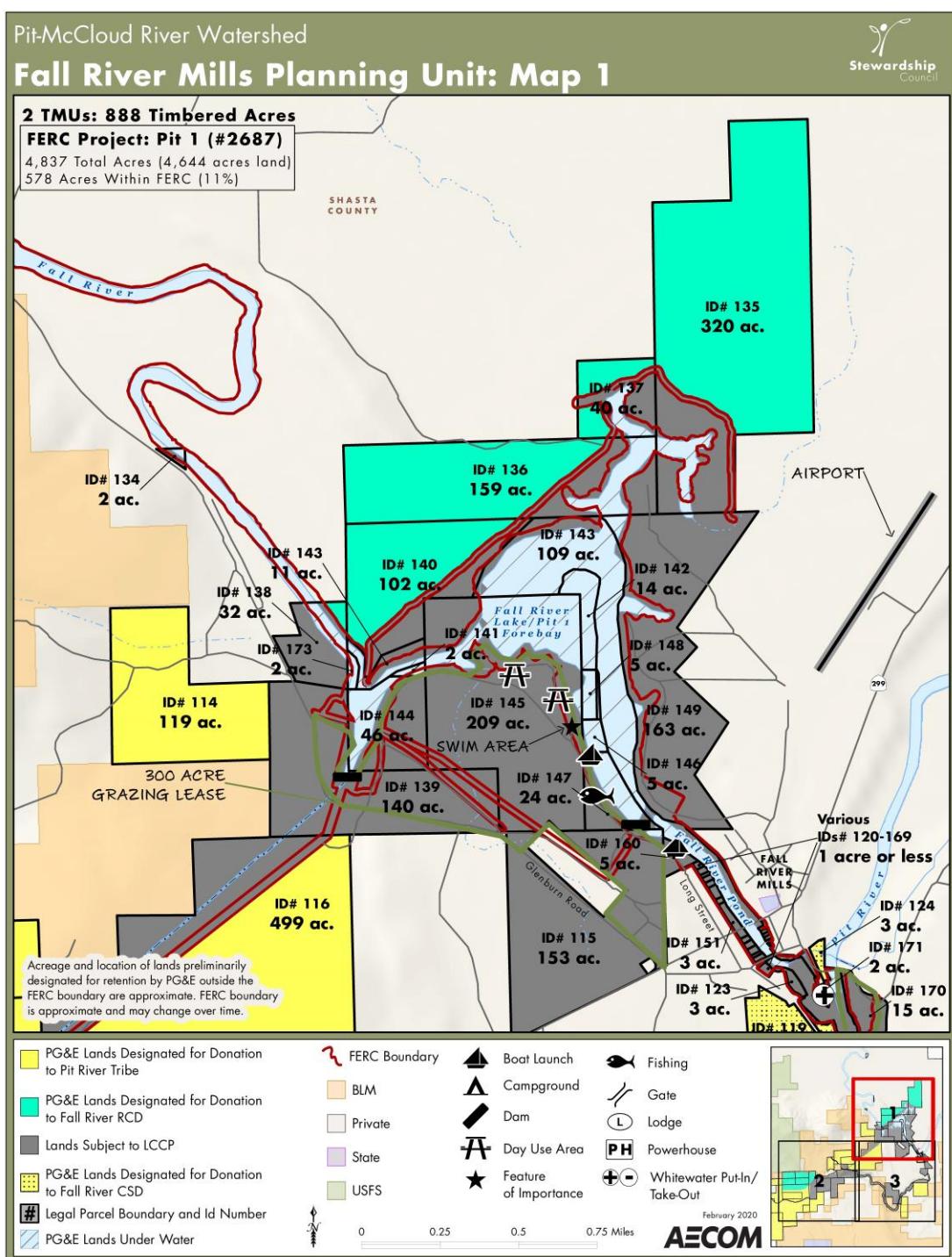
## **Consideration of Parcel Split**

Within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 approximately 2,446 acres will be retained by PG&E. PG&E determined that operational needs would be met sufficiently through the reservation of rights for ongoing hydroelectric operations on the other property to be donated within the planning unit. To effectuate transfer of a portion of the property, parcel splits will be required to comply with the California Subdivision Map Act (Government Code Section 66410, et seq). Certain exemptions to the Map Act apply to public utilities and/or to governmental entities and may apply to future conveyances of parcels within this planning unit.

**Applicable CEQA Exemption(s) or Reason Why Transaction is not a  
“Project Under CEQA”**

This Fall River Mills planning unit transaction will not result in a direct physical change or a reasonably foreseeable indirect physical change in the environment; therefore, the Stewardship Council does not believe that the transaction is a project under CEQA. In addition, the establishment of a conservation easement is categorically exempt under Section 15325 of the CEQA Guidelines (CFR Title 14, Chapter 3) and Public Resources Code 21080.28 states that CEQA review is not required before a public agency transfers an interest in property, provided the purpose of the transfer is to conserve the land for habitat, open space, agricultural, or historic preservation, among other purposes. If, in the future, PG&E pursues or allows new development or uses that are allowed by the conservation easement, it must first obtain all necessary permits and conduct any necessary CEQA review at that time.

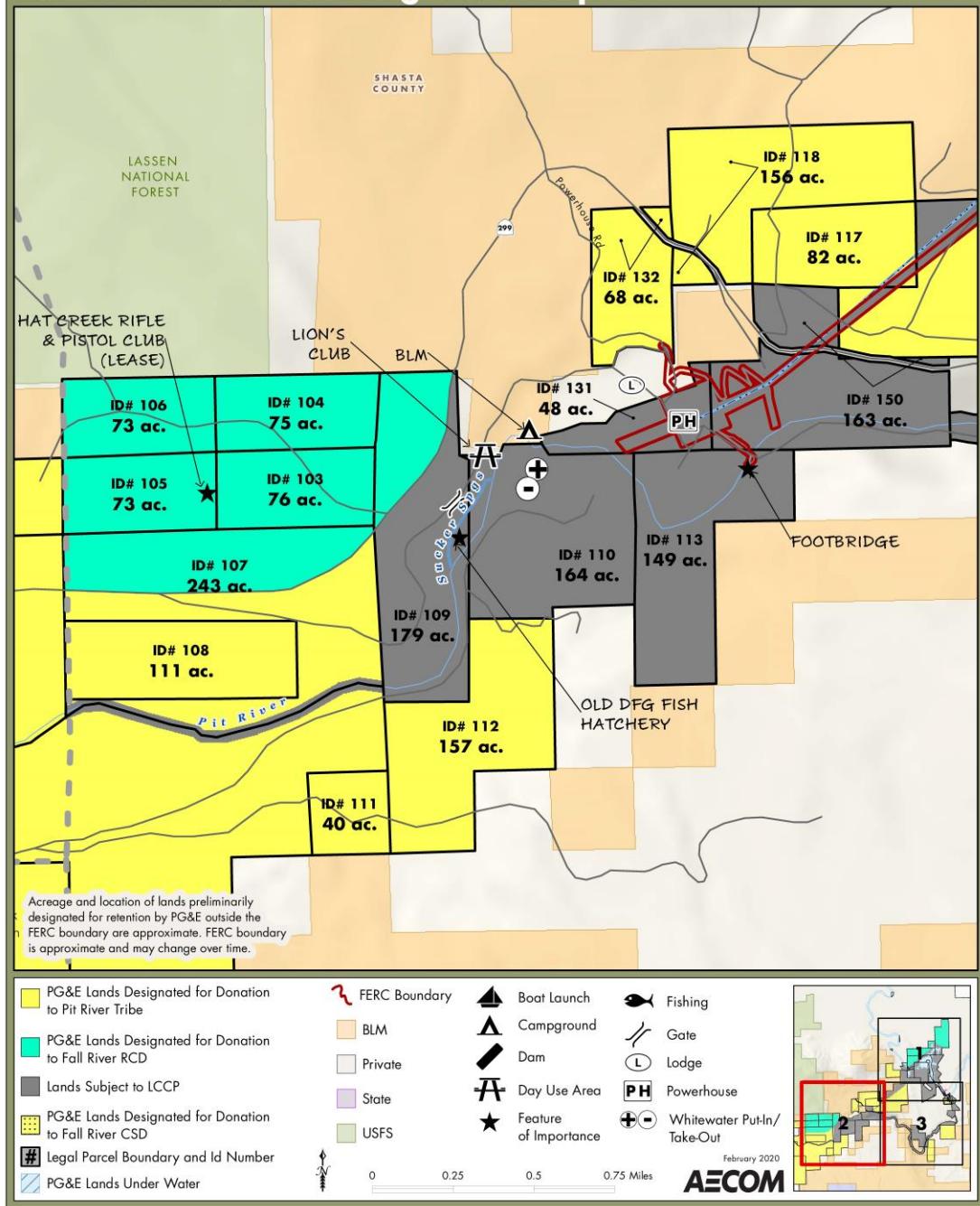
## Exhibit 1. Map of the Property

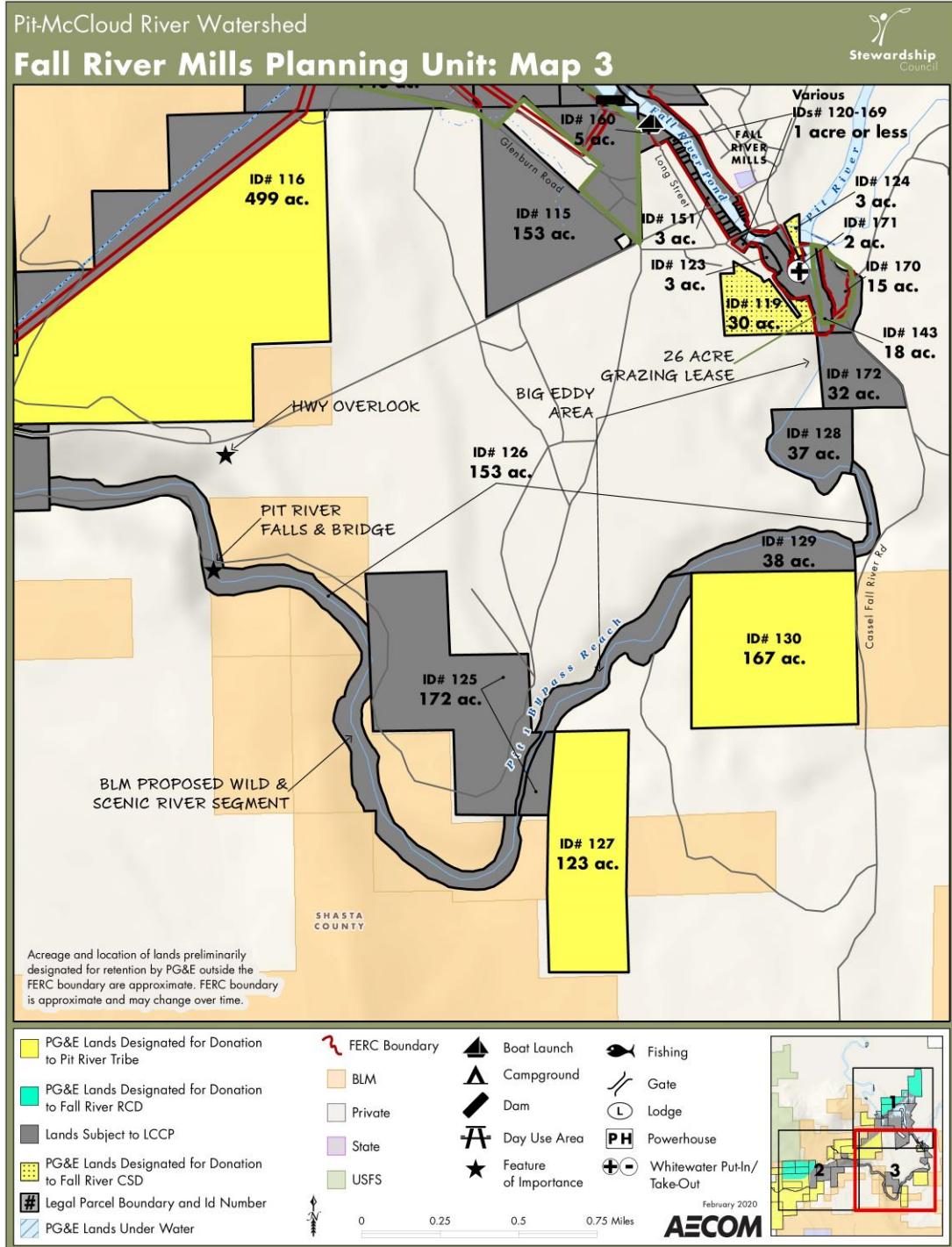


## Pit-McCloud River Watershed



## Fall River Mills Planning Unit: Map 2





## Table of Contents

<b>Executive Summary.....</b>	<b>1</b>
<b>Introduction.....</b>	<b>8</b>
<b>1. Acreage, Existing Economic Uses and Agreements.....</b>	<b>12</b>
<b>2. Objectives to Preserve and/or Enhance the BPVs.....</b>	<b>14</b>
<b>3. Retention or Donation of Fee Title and Recommendation for Conservation Easement Donation.....</b>	<b>16</b>
<b>4. Finding of Donee Funding and Other Capacity to Maintain Lands to Preserve and/or Enhance the BPVs.....</b>	<b>19</b>
<b>5. Analysis of Tax and Other Economic and Physical Impacts.....</b>	<b>20</b>
<b>6. Hazardous Waste Disclosure.....</b>	<b>21</b>
<b>7. Consideration of Parcel Split.....</b>	<b>22</b>
<b>8. Strategy for Physical Measures to Enhance the BPVs.....</b>	<b>23</b>
<b>9. Monitoring Plan for the Economic and Physical Impacts of Disposition and Implementation of Enhancement Measures.....</b>	<b>24</b>
<b>10. Implementation Schedule for Transaction and Measures.....</b>	<b>25</b>

## Appendices

Appendix 1. Summary of Public Outreach.....	26
Appendix 2. Conservation Easement.....	32
Appendix 3. Stewardship Council Conservation Easement Funding Agreement.....	96
Appendix 4. Settlement Agreement, Appendix E .....	107

## Introduction

The Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) is a private, nonprofit foundation established in 2004 pursuant to a Settlement Agreement and a Stipulation Resolving Issues Regarding the Land Conservation Commitment approved by the California Public Utilities Commission (CPUC) in Decision 03-12-035 (Dec. 18, 2003). The Stewardship Council Board of Directors includes appointees from state and federal agencies, water districts, Native American and rural interests, forest and farm industry groups, conservation organizations, the CPUC, and Pacific Gas and Electric Company (PG&E).

The Stewardship Council has developed a plan to protect more than 140,000 acres of watershed lands (Watershed Lands) currently owned by PG&E for the benefit of the citizens of California. Protecting the Watershed Lands will be accomplished through (1) PG&E's grant of conservation easements to one or more public agencies or qualified conservation organizations so as to protect the natural habitat of fish, wildlife, and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values (collectively the Beneficial Public Values), and in some cases, (2) PG&E's donation of the Watershed Lands in fee to one or more public entities or qualified conservation organizations, whose ownership would be consistent with these conservation objectives.

Located primarily in the Sierra Nevada and Cascade Mountain range watersheds, the Watershed Lands contain some of the most pristine and resource-rich landscapes found in the state. The properties are diverse and geographically remote, located in 21 counties from the northern reaches of the state to the southern end of the Central Valley.

As required by the Settlement and Stipulation, the Stewardship Council prepared a Land Conservation Plan (LCP) to establish a framework for the conservation and/or enhancement of the Watershed Lands, and to ensure the permanent protection of these lands for the benefit of current and future generations of Californians. To address the challenge of a conservation effort of this large scope and unique nature, and to facilitate engagement of a wide range of stakeholders and interested members of the public, the Stewardship Council grouped the Watershed Lands into 47 planning units and established a phased approach to development and implementation of the LCP.

In 2007, the Stewardship Council board adopted Volumes I and II of the LCP:

- **Volume I:** The Land Conservation Framework establishes the overall framework for the LCP, including legal requirements, the planning process, methodologies, public involvement, and relevant regulatory processes.
- **Volume II:** Planning Unit Concepts documents existing conditions and presents management objectives, potential measures, and conceptual plans to preserve and/or enhance the Beneficial Public Values (BPVs) within each planning unit. It also documents existing economic uses.

Volume III, consisting of Land Conservation and Conveyance Plans (LCCPs) to be issued serially and cumulatively, will encompass a series of real estate transaction packages that will detail the specific land conservation and/or disposition requirements for each parcel or parcel cluster. LCCPs represent the Stewardship Council's recommendations for preserving and/or enhancing the BPVs of the Watershed Lands, and are intended to support required regulatory approvals of the land transactions resulting from the Stewardship Council's recommendations. The content of the LCCP spans a number of issues required by the Settlement and Stipulation, such as an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any Federal Energy Regulatory Commission (FERC) license, FERC license renewal, or other regulatory requirements. In addition, conservation easements will honor existing agreements for economic uses, including consumptive water deliveries, and preserve or enhance reasonable public access to the Watershed Lands.

During the development of LCP Volumes I and II and the LCCPs, the Stewardship Council implemented a public outreach program to ensure local communities, elected representatives, neighboring property owners, Native American tribes and groups, and other key stakeholders had many opportunities to engage in the Stewardship Council's effort to preserve and enhance the Watershed Lands. To solicit additional input from the public on potential fee title recipients or conservation easement holders (referred to as donees), the Stewardship Council hosted a series of public information meetings. These meetings were designed to (1) provide an overview and update on the Stewardship Council's Land Conservation Program, (2) outline next steps, timeline, and opportunities for additional public input, and (3) solicit public input on the desired qualifications of potential donees and the future stewardship of the planning units. The Stewardship Council also made a concerted effort to extend the benefits of PG&E's Land Conservation Commitment to Native American tribes and groups, including meeting in person with representatives of Native American entities and conducting special outreach to best ensure Native American entities were aware of, and provided full access to participate in the opportunities presented by PG&E's Land Conservation Commitment.

Public input that the Stewardship Council received as a result of the public outreach process, including comments on Volume II of the LCP, comments from public information meetings on the selection of donees and other issues, and correspondence received by the Stewardship Council were considered by the Stewardship Council in its evaluation of the potential donees and their land stewardship proposals. In addition to public meetings, the public was given the opportunity to participate in all of the Stewardship Council's public board meetings where decisions were made on fee title and conservation easement donees. Prior to making a decision regarding the disposition of any parcel, the Stewardship Council will provide notice to the Board of Supervisors of the affected county, each affected city, town, and water supply entity, each affected Tribe and/or co-licensee, and each landowner located within one mile of the exterior boundary

of the parcel, by mail or other effective manner. A summary of the public outreach process for this subject LCCP, the Fall River Mills planning unit, is provided in Appendix 1. Furthermore, the proposed LCCP will be made available for public review and comment before it is forwarded by the Watershed Planning Committee to the board for its review and approval.

**The Stewardship Council Board of Directors recommends that Shasta Land Trust (SLT) hold a conservation easement encumbering 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 in the Fall River Mills planning unit that are to be retained by PG&E.**

Table 1-1 identifies Stipulation requirements that will be addressed in the LCCP and includes pertinent language from the Stipulation.

**Table 1 Stipulation 12(a) Requirements**

<b>(1) Acreage, Existing Economic Uses and Agreements</b> "Reasonably exact estimates of acreage, by parcel, within or outside licensed project boundaries, and existing economic uses (including all related agreements);"
<b>(2) Objectives to Preserve and/or Enhance</b> "Objectives to preserve and/or enhance the BPVs, as defined in the Settlement Agreement, Appendix E, of each individual parcel;"
<b>'(3) Retention or Donation of Fee Title and Recommendation for Conservation Easement Donation</b> "A recommendation for grant of a conservation easement or fee simple donation for each such parcel;"
<b>(4) Finding of Donee Funding and Other Capacity to Maintain Lands to Preserve and/or Enhance BPVs</b> "A finding that the intended donee of such easement or fee simple has the funding and other capacity to maintain that property interest so as to preserve and/or enhance the BPVs thereof;"
<b>(5) Analysis of Tax and Other Economic and Physical Impacts</b> "An analysis of tax and other economic and physical impacts of such disposition strategy, and a commitment by an appropriate entity to provide property tax revenue, other equivalent revenue source, or a lump sum payment, so that the totality of dispositions in each affected county under the LCC will be 'tax neutral' for that county;"
<b>(6) Hazardous Waste Disclosure</b> "A disclosure of all known hazardous waste or substance contamination or other such environmental liabilities associated with each parcel;"
<b>(7) Consideration of Parcel Split</b> "Appropriate consideration whether to split any parcel which is partly used or useful for operation of PG&E's and/or a co-licensee's hydroelectric facilities, where the beneficial public values of the unused part may be enhanced by such split, provided that it is consistent with Section 12(b)(4) of this Stipulation and that, in the event that governmental approval of a parcel split imposes conditions or restrictions on other PG&E property, the decision to accept or reject such conditions will be at PG&E's sole discretion;"
<b>(8) Strategy for Physical Measures to Enhance BPVs</b> "A strategy to undertake appropriate physical measures to enhance the BPVs of individual parcels; provided that no such measure will be in conflict with the provisions of Settlement Agreement paragraph 17(c) and Appendix E paragraph 1;"
<b>(9) Monitoring Plan for the Economic and Physical Impacts of Disposition and Implementation of Enhancement Measures</b> "A plan to monitor the economic and physical impacts of disposition and implementation of enhancement measures on the applicable management objectives;"
<b>(10) Implementation Schedule for Transactions and Measures</b> "A schedule for the implementing transactions and measures."

## 1. Acreage, Existing Economic Uses and Agreements

### Acreage and Property Description

2,446 acres in Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 will be retained by PG&E and, consistent with the conditions in the Settlement Agreement, will be encumbered with a perpetual conservation easement, granted by PG&E to SLT as described in Chapter 3.

The Fall River Mills planning unit is located adjacent to the town of Fall River Mills and offers both recreation and open space opportunities. The planning unit contains the Pit 1 Forebay, Fall River Pond, and several miles of the Fall and Pit River corridors and surrounding lands.

The planning unit provides extensive terrestrial habitat, which supports three bald eagle nests. Bank swallows can be seen in an area of cliffs at the Pit 1 Forebay. Five species of bats use the planning unit and its facilities for foraging and roosting. Due to the large number of avian species that use the greater Fall River Area and its importance in maintaining bird populations, the Audubon Society has designated this area as an Important Bird Area. One special status plant species has also been identified in the planning unit. Due to the large amount of riparian habitat and presence of both rivers and impoundments within the planning unit, there are many aquatic species that inhabit the site, including both warm and coldwater fish species, mollusks, northwestern pond turtle, and Shasta crayfish. The endangered Shasta crayfish is found in the Pit River and Fall River drainages.

There is a scenic overlook along Highway 299 with vistas over the Pit River Canyon and falls and the valley below. The property is sparsely forested, providing for opportunities to appreciate the open space qualities of the land.

The majority of the planning unit's recreation facilities are located at the Pit 1 Forebay and Fall River Pond, adjacent to the town of Fall River Mills. At the forebay, facilities include a group picnic area, swim beach, boat ramp, and day use area. The Pit River Lodge (formerly owned by PG&E) is located at the Pit 1 Powerhouse, and a small day use area just downstream of the powerhouse has historically been managed by the Lion's Club for public use. In the same area, a BLM campground also provides whitewater boating access and day use facilities. The Pit 1 bypass reach and Pit River below the Pit 1 Powerhouse provide for two whitewater runs, one from Fall River Mills to the BLM campground near Pit 1 Powerhouse and one from the BLM campground to the Highway 299 bridge. The Fall River Mills Trap club previously operated on the property but the site south of Fall River Lake has been remediated and a deed restriction was recorded in 2022 limiting use to weekly recreational visitors.

The lands to be retained by PG&E are within one PG&E Timber Management Unit (TMU) that totals 414 timbered acres. The TMU is currently managed by PG&E under a salvage prescription, meaning that management activities are restricted to mitigating for

watershed and forest health issues, including emergency salvage harvesting following insect attack or a catastrophic event.

Currently, two grazing leases exist within the lands to be retained by PG&E.

There are a number of cultural resources within this planning unit, which is within the ancestral territory of the Pit River Tribe, specifically the Ajumawi and Illmawi bands of the tribe. At least two major settlement areas, the villages of Wennehahle and Dawchtahpit, are known to be present in the canyon along with a resource procurement place and several potential Traditional Cultural Properties that are important spiritually.

### **Adjacent and Nearby Landowners**

The 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 in the Fall River Mills planning unit to be retained by PG&E are surrounded by private property, other planning unit parcels, and Bureau of Land Management property. Many parcels to be retained by PG&E do not have vehicular access, including Parcels 120, 121, 123, 125, 126, 141-143, 146, 148, 151-159, 161-169 and 173. The remaining parcels are accessed via Cassel Fall River Road, Pit 1 Powerhouse Road, State Highway 299, Glenburn Road, Grand Rapids Drive, Long Street, PG&E roads, and FERC Project roads.

The Stewardship Council notified and invited landowners located within one mile of the subject parcels to provide comment during key phases of the land conservation and conveyance planning process.

### **Existing Economic Uses and Agreements**

There are recorded encumbrances on the Property to be retained by PG&E for a right of way along the mill race, water pipeline, a right to use for power and all other purposes except irrigation, highways, roads, a grazing right of way that includes fencing and right to inundated water, electric transmission and distribution pole lines, a water ditch, underground sewage facilities, water storage tanks, sprinkler pipelines, communication facilities and an environmental restriction. There are unrecorded encumbrances for existing agreements for economic use on the Property for a residence and livestock grazing.

PG&E reserves rights in the conservation easement to maintain and operate existing and future utility facilities over portions of the parcels. The specific Hydro Reserved Rights are set forth in the conservation easement, which can be found in Appendix 2.

## **2. Objectives to Preserve and/or Enhance the BPVs**

The Land Conservation Commitment provides that “PG&E shall ensure that the Watershed Lands it owns... are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values. PG&E will protect these beneficial public values associated with the Watershed Lands... from uses that would conflict with their conservation.

PG&E recognizes that such lands are important to maintaining the quality of life of local communities and all the people of California in many ways, and it is PG&E’s intention to protect and preserve the beneficial public values of these lands under the terms of any agreements concerning their future ownership or management.”<sup>1</sup>

The following text lists the objectives for each BPV at the Fall River Mills planning unit that the Stewardship Council board approved in LCP Volume II, as well as a description of how the conservation easement addresses each objective and each applicable BPV.

The conservation easement will protect the BPVs, subject to PG&E’s hydro and other reserved rights as provided in the conservation easement.

*1. Objective: Preserve and enhance habitat in order to protect special biological resources.*

The conservation easement (Appendix 2) includes a list of BPVs that will be protected including the following BPV: “Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term “habitat” includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term “native” refers to plants and animals that occur naturally on the Property and are defined as “native” by the California Department of Fish & Wildlife and its successors.”

*2. Objective: Preserve open space in order to protect natural and cultural resources, viewsheds, agricultural land uses, and the recreation setting.*

The conservation easement will conserve the scenic character of the property by ensuring that no further development will occur unless specifically authorized or permitted by the conservation easement.

*3. Objective: Enhance recreational facilities in order to provide additional recreation opportunities.*

The conservation easement includes outdoor recreation, including passive recreational pursuits such as hiking, fishing, sightseeing, rafting, boating, swimming, and picnicking, as a BPV to be protected. Furthermore, the conservation easement provides that the landowner will allow public access on the property at levels substantially consistent with

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<sup>1</sup> Land Conservation Commitment 1.02-04-026, Appendix E, p. 38

those existing at the time the conservation easement is recorded, subject to PG&E's Reserved Rights (Section 7 of the conservation easement), and the landowner's right to make reasonable rules and regulations.

- 4. Objective: Develop and implement forestry practices in order to contribute to a sustainable forest, preserve and enhance habitat, as well as to ensure appropriate fuel load and fire management.*

Forest management activities will be subject to compliance with applicable laws and conducted as further described and allowed in the conservation easement (Appendix 2).

- 5. Objective: Preserve and enhance grazing in order to support associated economic benefits, as well as to protect open space and habitat resources.*

The conservation easement identifies agricultural values, including grazing, as a beneficial public value. Existing grazing leases will be honored in accordance with Section 11 of the conservation easement as Express Third Party Uses.

- 6. Objective: Identify and manage cultural resources in order to ensure their protection.*

The conservation easement will protect identified historical and cultural values on the Property to the extent they are protected by state and federal law.

### **3. Retention or Donation of Fee Title and Recommendation for Conservation Easement Donation**

The Settlement and Stipulation require that the Watershed Lands: (1) be subject to permanent conservation easements restricting development of the Watershed Lands so as to protect and preserve the BPVs, and/or (2) be donated in fee simple to one or more public entities or qualified nonprofit conservation organizations, whose ownership will ensure the protection of these BPVs.

#### **Donee Selection Process**

The Stewardship Council used a formal multi-step process to solicit and select organizations interested in becoming a conservation easement holder at the Fall River Mills planning unit. Commencing in 2005, the Stewardship Council engaged in a robust public outreach process to solicit interest from eligible entities in receiving fee donations or holding conservation easements on PG&E Watershed Lands. Numerous meetings were held throughout the Watershed Lands with interested organizations and other stakeholders.

The formal solicitation and selection process consisted of the following key steps:

- Organizations were invited to register via the Stewardship Council's Interested Donee Registry and were invited to submit a statement of qualifications (SOQ). The Stewardship Council reviewed the SOQs that were submitted to identify organizations that: (a) were determined to be a qualified nonprofit conservation organization; a federal, state or local governmental entity; or, a recognized tribe; (b) appeared to have sufficient financial and organizational capacity relative to the property interest sought within the planning unit; and, (c) appeared to be capable of satisfying the requirements of the Settlement and Stipulation for receiving a donation of fee title or to hold the conservation easement.
- Organizations interested in a fee title donation were invited to submit a land stewardship proposal (“LSP” or “proposal”) describing their capacity and interest in preserving and enhancing the BPVs. Organizations who were invited to submit a LSP were invited to tour the lands of interest with representatives of PG&E and the Stewardship Council.
- The LSPs were posted on the Stewardship Council's website.
- Organizations demonstrating sufficient capacity and determined by the Stewardship Council to be best-suited to receive a donation of property interest (fee or conservation easement) in particular Watershed Lands within a planning unit are being recommended to PG&E to receive fee title and/or conservation easements.

## **Retention or Donation of Fee Title**

The Settlement Agreement states that PG&E will not be expected to make fee simple donations of Watershed Lands with hydroelectric project features, and conservation easements and enhancements may not interfere with hydroelectric operations. In general, PG&E will retain fee title to those Watershed Lands within the boundaries of hydroelectric projects licensed by the FERC, as well as other properties required for continuing and future utility operations. However, these Watershed Lands will be conserved via a conservation easement. See Appendix 4 for a description of PG&E's Land Conservation Commitment.

The Fall River Mills planning unit encompasses approximately 4,837 acres. Approximately 4,197 acres were identified by PG&E as lands not necessary for current and future utility operations. Therefore, these 4,197 acres of land were made available for fee title donation.

Stewardship Council staff received and evaluated land stewardship proposals for the Fall River Mills planning unit in 2010 and 2012 from the Bureau of Land Management, Fall River Resource Conservation District, Fall River Valley Community Services District, and the Pit River Tribe. Subsequent to its submittal of an LSP, BLM confirmed that it cannot pursue the land donation due to requirements of the Stipulation relating to Section 4(e) of the Federal Power Act. Based on evaluation of the remaining proposals and discussions with donees, the Stewardship Council recommended fee title donation of approximately 585 acres within the Fall River Mills planning unit to the Fall River Resource Conservation District and the Fall River Valley Community Services District.

In 2018, after the initial round of LSPs and recommendations, the Stewardship Council and PG&E land staff conducted a desk review and field review of the additional lands that were anticipated to be retained by PG&E. PG&E staff assessed the remaining acres that did not fall within FERC project boundaries, and were not required for current or future utility operations. The Board then agreed to solicit additional LSPs for available lands in the planning unit, from two key regional stakeholders, the Fall River RCD and the Pit River Tribe. Based on evaluation of the proposals and discussions with donees, the Stewardship Council recommended fee title donation of an additional 1,956 acres within the Fall River Mills planning unit to the Fall River Resource Conservation District and the Pit River Tribe. 2,446 acres within the Fall River Mills planning unit are being retained by PG&E subject to this LCCP.

## **Lands to be Retained by PG&E**

2,446 acres within parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 of the Fall River Mills planning unit will be retained in fee by PG&E.

The map in Exhibit 1 shows all of the land within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 in the Fall River Mills planning unit that will be retained by PG&E. The map also shows key features in the planning unit and surrounding area, and the ownership of adjacent land.

## **Conservation Easement**

The Settlement Agreement states “the conservation easements shall provide for the preservation of land areas for the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values, and shall prevent any other uses that will significantly impair or interfere with those values. Conservation easements on the Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements. In addition, conservation easements will honor existing agreements for economic uses, including consumptive water deliveries. The conservation easements shall be donated to and managed by one or more non-profit conservation trustees, qualified conservation organizations or public agencies with the experience and expertise to fully and strictly implement the conservation easements” (Land Conservation Commitment I.02-04-026, Appendix E, pp. 38-39).

For the complete text of the conservation easement, see Appendix 2.

Conservation easements must be donated to nonprofit organizations, Native American tribes, or public agencies that meet the requirements of California Civil Code section 815.3 and possess the experience and capacity to fully and strictly implement the terms of the conservation easement. SLT will hold the conservation easement over the lands within the Fall River Mills planning unit that are the subject of this LCCP. The qualifications of SLT are described in Chapter 4.

Accordingly, immediately following the Section 851 approval of PG&E’s grant of a conservation easement over lands retained by PG&E in the Fall River Mills planning unit, PG&E and SLT will execute the conservation easement and it will be recorded.

## **4. Finding of Donee Funding and Other Capacity to Maintain Lands to Preserve and/or Enhance the BPVs**

### **Selected Organizations**

At the conclusion of the Donee Selection Process referenced above in Section 3, the following organization was endorsed by the Stewardship Council board on January 22, 2015:

- Shasta Land Trust (SLT) to hold a conservation easement over 2,446 acres to be retained by PG&E within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 in the Fall River Mills planning unit.

### **Capacity of Selected Organizations**

The Stewardship Council board finds that SLT has the funding and other capacity to maintain the property interest so as to preserve and/or enhance the BPVs<sup>2</sup>.

- Established in 1998, SLT's mission is to conserve the beauty, character, and diversity of significant lands in far northern California.
- SLT holds 26 conservation easements totaling over 34,969 acres.
- SLT is guided by a seven-member board of directors with several standing committees and strong volunteer support. SLT's board includes an environmental chemist, current and retired educators, a financial planner, a director of a local economic development organization, a retired project manager from the Nature Conservancy, and a retired planner.
- SLT is an accredited land trust.

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<sup>2</sup> Stipulation, Section 12(a)(4)

## **5. Analysis of Tax and Other Economic and Physical Impacts**

The Settlement and Stipulation require that the LCCP provide “an analysis of tax and other economic and physical impacts of such disposition strategy, and a commitment by an appropriate entity (which may be PG&E, subject to being authorized by the Commission to fully recover in rates any such costs in approving PG&E’s Section 851 application or in another appropriate Commission proceeding, Stewardship Council, donee, or a third party, depending on the individual circumstances) to provide property tax revenue, other equivalent revenue source, or a lump sum payment, so that the totality of dispositions in each affected county under this Land Conservation Commitment will be ‘tax neutral’ for that county.”

### **Property Tax Analysis**

PG&E is retaining fee title ownership of 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 of the Fall River Mills planning unit and as such, PG&E will continue to pay property taxes to Shasta County as assessed by the State Board of Equalization.

### **Other Economic and Physical Impacts**

The Settlement and Stipulation require an analysis of the physical and economic impacts of each disposition. The agreements for the conservation easement on Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 of the Fall River Mills planning unit have not mandated any changes to the physical or economic uses and PG&E intends to manage the lands in a manner consistent with the current physical and economic uses.

No new activities are proposed that will result in physical impacts.

The conservation easement will prohibit development and other uses of the land that would significantly impair the BPVs, all subject to PG&E’s Hydro Reserved Rights. PG&E’s Hydro Reserved Rights are referenced in the conservation easement, which can be found in Appendix 2.

## **6. Hazardous Waste Disclosure**

The Stipulation states that in the transfer of fee title and conveyance of a conservation easement, PG&E will disclose all known hazardous waste, substance contamination, or other such environmental liabilities associated with each parcel and hold the donee harmless.

### **Lands to be Retained by PG&E**

PG&E is retaining fee title ownership of 2,446 acres within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 of the Fall River Mills planning unit and confirmed it has provided the Fall River Mills Planning Summary of Potential Environmental Issues, prepared by AMEC Geomatrix, Inc., dated September 8, 2010, to SLT, fulfilling the disclosure requirements of the Land Conservation Commitment.

## **7. Consideration of Parcel Split**

Within Parcels 107-110, 112,113, 115-117, 119-132, 134-173, and 211 approximately 2,446 acres will be retained by PG&E. PG&E determined that operational needs would be met sufficiently through the reservation of rights for ongoing hydroelectric operations on the other property to be donated within the planning unit. To effectuate transfer of a portion of the property, parcel splits will be required to comply with the California Subdivision Map Act (Government Code Section 66410, et seq). Certain exemptions to the Map Act apply to public utilities and/or to governmental entities and may apply to future conveyances of parcels within this planning unit.

## **8. Strategy for Physical Measures to Enhance the BPVs**

The Stewardship Council developed and implemented a strategy to identify and undertake appropriate physical measures to enhance the BPVs of the Watershed Lands consistent with Settlement Agreement paragraph 17(c)<sup>3</sup> and Appendix E, paragraph 1.

During the preparation of Volume II of the LCP, a number of potential physical enhancement measures to preserve and/or enhance the BPVs were identified. These measures were identified with public input and were intended to be illustrative in nature and subject to change over time in coordination with the future landowner.

The Stewardship Council has developed a grant program that will fund selected enhancements on the Watershed Lands. It is anticipated that grant funding will be available to accomplish future projects that enhance one or more of the six Beneficial Public Values. Projects may include habitat restoration or physical measures such as developing trails, day use areas, and other public access improvements.

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<sup>3</sup> Settlement Agreement Paragraph 17(c) states, “PG&E shall fund PG&E Environmental Enhancement Corporation with \$70 million in Cash to cover administrative expenses and the costs of environmental enhancements to the Watershed Lands... provided that no such enhancement may at any time interfere with PG&E’s hydroelectric operations maintenance or capital improvements.”

## **9. Monitoring Plan for the Economic and Physical Impacts of Disposition and Implementation of Enhancement Measures**

The Stipulation requires that the LCCP outline a plan to monitor the economic and physical impacts of disposition and implementation of enhancement measures.

The conservation easement holder is required to monitor every conservation easement that it holds to ensure that the landowner is complying with the terms of the easement. The Stewardship Council will enter into a Conservation Easement Funding Agreement (Appendix 3) with each conservation easement holder whereby the holder will receive a monitoring and enforcement endowment from the Stewardship Council to fund its monitoring activities.

To further meet the requirement of monitoring the economic and physical impacts, the Stewardship Council will enter into an agreement with the Sierra Nevada Conservancy (SNC), a state agency, whereby the agency will agree to undertake certain duties designed to monitor the impacts of PG&E's Land Conservation Commitment.

When the Stewardship Council has completed its work, it will be dissolved. Prior to its dissolution, the Stewardship Council expects to prepare a report providing an assessment of any economic and physical impacts resulting from the Land Conservation Commitment as of that time. Stewardship Council's close-out report will include, among other things, the following information:

- How the property tax neutrality requirement was satisfied with regard to each parcel donated to a tax exempt organization.
- A report regarding the enhancements that were funded by the Stewardship Council.

It is anticipated that several years after the dissolution of the Stewardship Council, SNC will prepare a report assessing the physical and economic impacts of the Land Conservation Commitment up until that time. The report is expected to cover the following topics:

- Impact of the Land Conservation Commitment on agreements for economic uses.
- Changes in entities holding conservation easements or fee title.
- Performance of duties by conservation easement holders.

## **10. Implementation Schedule for Transaction and Measures**

### **Schedule for Transaction**

- CPUC review and approval (2023)
- FERC review and approval (2023)
- Close of escrow (2023)
- Stewardship Council release of funds to SLT per conservation easement funding agreement (2023)

### **Compliance with Local Land Use Planning Requirements**

Future management of the Fall River Mills property is anticipated to comply with all applicable County ordinances and/or General Plan policies.

### **SUMMARY OF PUBLIC OUTREACH PROGRAM**

The Stewardship Council established a comprehensive public outreach program to both inform and solicit input from the public on the development and implementation of a plan to permanently protect over 140,000 acres of PG&E watershed lands. A variety of tools and techniques are used to engage the public, including:

- Stewardship Council Website: the website provides background information on the land conservation program and is regularly updated with board meeting agendas and minutes, proposed recommendations, and other announcements.
- Stakeholder Database and E-mailing: regular e-mail notifications are sent directly to individuals and organizations that have signed-up to receive e-mails. The e-mails provide updates on the status of the land conservation program, including pending actions by the board and upcoming public meetings.
- Targeted Newspaper Noticing and Paid Advertisements: newspaper advertisements and notices are placed in local newspapers circulated in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda.
- News Releases: news releases are issued to statewide and local media outlets at key intervals during the planning process.
- Public Information Meetings and Workshops: public information meetings and workshops are conducted throughout the watershed lands to provide updates and solicit input from interested stakeholders on the land conservation program and individual planning units. In many workshops, public comments were sought on potential measures to protect and enhance the beneficial public values on specific lands as well as the desired qualifications of potential donee organizations. Individuals and organizations unable to attend are provided an opportunity to submit comments in writing and review meeting summaries posted on the web site.
- Notice by Mail of Pending Decisions Regarding the Conveyance of Individual Parcels and Invitation to Comment:
  - Noticing of Affected Governmental Entities: prior to the Watershed Planning Committee forwarding a recommendation to the board that a proposed Land Conservation and Conveyance Plan (LCCP) be adopted by the board, a notice will be mailed to the Board of Supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee.
  - Noticing of landowners: postcards or letters are sent to all landowners located within one mile of lands that are the subject of a proposed LCCP prior to the Watershed Planning Committee forwarding a recommendation to the board that the proposed LCCP be adopted by the board.
- Individual Meetings with Stakeholders: Over the course of the preparation of Volumes I and II of the Land Conservation Plan (LCP) and the LCCP, Stewardship Council staff met, and communicated via the telephone and email, with a number of stakeholders interested in the Watershed Lands.

## Appendix 1: Summary of Public Outreach

- The Stewardship Council Board of Directors meets five to six times per year, typically on a bimonthly schedule. At the board meetings, the public is invited to directly address the board on an agenda item or on any other matter. The meetings have been held at locations in northern and central California and across the watershed lands to help facilitate public participation. Agendas are available one week prior to meetings, and meeting minutes are posted on the Stewardship Council public website approximately three weeks following those meetings.

### **FALL RIVER MILLS PLANNING UNIT PUBLIC OUTREACH**

Highlighted below are the opportunities that have been, or are being, provided for public input on key documents and decisions concerning the Fall River Mills planning unit and the land conservation and conveyance process.

#### **I. PUBLIC REVIEW OF VOLUMES I AND II OF THE LCP**

The Draft Land Conservation Plan Volumes I and II were released in June 2007 for a 60-day public comment period. During this time, the Stewardship Council held ten public meetings to publicize the availability of the Draft LCP and to encourage public comment. These meetings were advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local newspapers, a paid advertisement in local papers, and a postcard sent to all landowners on record that reside within one mile of any PG&E parcel. Comments were received via email, the website, and hardcopy letters. The comments were reviewed, and responded to individually; and the text in the draft LCP was revised as appropriate.

Ten public comments were submitted concerning the Fall River Mills Planning Unit during public review of Volumes I and II of the LCP. Public comments emphasized the following regarding the future management of the property:

- Consideration of the Pit River Park's historical and recreational value to the local community.
- Support for the land available for donation to transfer to the BLM in order to enhance public access along segments recommended for National Wild and Scenic River status.
- Coordinate studies involving the Hat Creek Rifle and Gun Club with the club and any other potentially affected parties.
- Support for the preservation and enhancement of the recreation facilities to support the local economy.
- Concern for equal consideration for and preservation of all historical resource values.

#### **II. NOTICING OF LANDOWNERS WITHIN ONE MILE**

In the fall of 2006 a postcard was distributed to the approximately 26,000 landowners located within one mile of the exterior boundary of all the parcels to notify and invite comment on Volume I and II of the LCP. A postcard was also sent to notify and invite all landowners located within one mile of the parcels within the Fall River Mills planning unit to a Public Information Meeting that was held in Burney in 2009. In addition, simultaneous with the release of the proposed subject LCCP for public comment, adjacent landowners located within one mile of the subject parcels are noticed by mail 30 days before

## Appendix 1: Summary of Public Outreach

the Watershed Planning Committee considers forwarding the proposed subject LCCP to the board for final approval.

### III. PUBLIC INFORMATION MEETING

A Public Information Meeting workshop for several planning units in the Pit-McCloud Watershed area was hosted by the Stewardship Council on October 29, 2009, in Burney, California. The meeting concerned four planning units: Fall River Mills, Fall River Valley, Hat Creek, and Lake Britton. Attendees at the workshop included a total of 33 individuals representing a wide variety of interests including local and federal governments, community organizations, and community members. The meeting was advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to the local newspaper, and a postcard sent to all landowners on record located within one mile of any PG&E parcel associated with the Fall River Mills planning unit.

The purpose of the workshop was to: (1) provide a review and update on the Stewardship Council's Land Conservation Program; and, (2) solicit additional public input on future stewardship of the planning units. Stations were set up with maps, other pertinent information, and easels with blank paper. Below is a summary of comments related to the Fall River Mills planning unit that were recorded on the easels and provided on comment cards.

#### *Fall River Mills Planning Unit*

- Develop trails along the east side of Fall River Lake
- Develop a hiking trail along the Pit River to the Pit River Falls
- Develop a trail all the way from Fall River Mills to the Pit 1 Powerhouse
- Noxious weed control is critical
- Enhancing habitat for wildlife and birds is important
- Maintain existing Lion's Club day use on the Pit River
- Maintain Hat Creek Rifle & Pistol Club in present location
- Future donees should have local interest and local knowledge
- Experience with noxious weed management
- Interest in acting as "sound board" for local community (i.e. access, tribal, weeds, ranchers, economic)

### IV. PUBLIC REVIEW OF LAND STEWARDSHIP PROPOSALS

In August 2010, the Stewardship Council received four Land Stewardship Proposals from organizations interested in being considered for a donation of fee title to certain lands located within the Fall River Mills planning unit. The Bureau of Land Management, Fall River Resource Conservation District, Pit River Tribe, and the Fall River Valley Community Services District. Each of the organizations prepared and submitted its proposal which was posted on the Stewardship Council's website for public review and comment, and an e-mail was sent to contacts in the Stewardship Council's database to notify them of the postings. In February 2012, the Stewardship Council received a revised proposal from the Fall River Valley Community Services District seeking a donation of fee title to certain lands within the Fall River Mills planning unit. In 2018, the Stewardship Council and PG&E land staff conducted a desk review and field review of the additional lands that were anticipated to be retained by PG&E. PG&E staff assessed

## Appendix 1: Summary of Public Outreach

the remaining acres that did not fall within FERC project boundaries, and were not required for current or future utility operations. The Stewardship Council solicited additional LSPs for available lands in the planning unit from two key regional stakeholders, the Fall River RCD and the Pit River Tribe, and posted the LSPs on the website for public review.

### **V. PUBLIC REVIEW OF LAND CONSERVATION PROGRAM POLICIES & GUIDELINES**

Public comment was sought on policies and guidelines that helped inform the Stewardship Council's land conservation and conveyance process. These documents were provided to the public in advance of being reviewed and endorsed by the Watershed Planning Committee or Fiduciary Committee and forwarded to the board for review and consideration.

#### *Land Conservation Program Funding Policy*

The Stewardship Council created a Land Conservation Program Funding Policy to help guide future planning and decision-making regarding funding of the long term management and stewardship of the watershed lands. In June and July, 2009, the draft policy was posted on the Stewardship Council's web site and made available for review and comment to a group of stakeholders consisting of all registered potential donees and representatives of the counties in which the watershed lands are located. Two comments were received during the 30-day review and comment period. Both comments were reviewed, and it was determined that neither comment necessitated a change in the draft policy. The Stewardship Council's Board of Directors adopted the policy at a public board meeting in Sonora, Calif. on September 17, 2009.

#### *Guidelines for Achieving Property Tax Neutrality*

The Stewardship Council created guidelines for achieving property tax neutrality to describe scenarios when the Stewardship Council will make property tax payments to affected counties as in lieu payments for property taxes that are lost due to the donation of PG&E watershed lands to an entity that is exempt from paying property taxes. The guidelines also defined a set of overarching assumptions regarding property tax neutrality payments. The draft guidelines were posted on the Stewardship Council's web site in December 2010. A notice inviting review and comment on the guidelines was sent to the Stewardship Council's stakeholder database. Additional targeted outreach was performed to inform the affected counties. Nine comments were received during the 60-day review and comment period. After consideration of public comments, the Stewardship Council Board adopted a set of guidelines at its public board meeting on March 30, 2011.

#### *Proposed methodology for achieving tax neutrality*

The proposed methodology for achieving tax neutrality on donated lands was e-mailed to all land stakeholders and posted on Stewardship Council's website for public review and comment on January 9, 2012. The deadline for submission of comments was March 9, 2012. The Stewardship Council received one request to extend this deadline, which was granted. By the new deadline March 30, 2012, six comments were received. Upon consideration of the comments received, the Stewardship Council board deferred adoption of the full methodology until the June 27, 2012 board meeting so that the affected counties could be notified of the proposed change to the capitalization rate. No comments

## Appendix 1: Summary of Public Outreach

were received on the revised capitalization rate. The revised methodology was adopted by the board at its June 27, 2012 meeting.

### **VI. WATERSHED PLANNING COMMITTEE RECOMMENDATIONS OF FEE TITLE AND CONSERVATION EASEMENT DONEES**

Staff recommendations for prospective fee title donees and conservation easement holders that are endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for public review and comment. The proposed board action is noticed via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The board action taken is also noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

All public comments received by staff concerning the fee and conservation easement recommendations at the Fall River Mills planning unit were provided to the board for consideration at the relevant public board meetings.

### **VII. PUBLIC REVIEW OF THE LAND CONSERVATION AND CONVEYANCE PLANS**

The public is provided an opportunity to review and comment on the proposed Land Conservation and Conveyance Plans (LCCPs), and the comments received are shared with board members prior to the Watershed Planning Committee's forwarding the proposed LCCP to the board for its review and approval. The 30-day public review and comment periods are announced via an e-mail sent to contacts in the Stewardship Council's database, a posting on the Stewardship Council's web site, and an advertisement placed in local newspapers in communities that may have an interest in a particular planning unit. A notice inviting review and comment on the proposed LCCP is also sent to all landowners on record located within one mile of the subject PG&E parcels and to PG&E leaseholders. In addition, a notice is mailed to the board of supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee. After receiving public comment, the Watershed Planning Committee may make revisions to a proposed LCCP prior to forwarding a recommendation to the board.

### **VIII. STEWARDSHIP COUNCIL BOARD OF DIRECTORS MEETINGS**

Proposed LCCPs endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for additional public review and comment approximately 30 days prior to being considered by the board at a public board meeting. The posting of proposed LCCPs is advertised via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The

## Appendix 1: Summary of Public Outreach

board action taken is noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

All public comments received will be provided to the board. There is also an additional opportunity for public comment at the public board meeting when the board considers approval of the proposed LCCP. Adoption of an LCCP by the board would be the final step in the Stewardship Council's process for selecting donees. The prospective donees are responsible for securing its own internal approvals prior to the transaction being completed. Transactions will be finalized upon LCCP review and transaction approval by the California Public Utilities Commission.

<p><b>RECORDING REQUESTED BY</b></p> <p><b>PACIFIC GAS AND ELECTRIC COMPANY</b>  <b>Land Department</b>  <b>Attention: Paul Coviello</b>  <b>1850 Gateway Blvd, Room 7043C</b>  <b>Concord, CA 94520</b></p>	<p><b>WHEN RECORDED MAIL TO</b></p> <p><b>PACIFIC GAS AND ELECTRIC COMPANY</b>  <b>245 Market Street, N10A, Room 1015</b>  <b>P.O. Box 770000</b>  <b>San Francisco, California 94177</b></p>
<p>The undersigned Grantor declares that the documentary transfer tax is \$-0- (R&amp;T Code 11911 court-ordered conveyance or decree that is not pursuant to sale)</p>	<p>(Space Above this Line for Recorder's Use)</p>
<p><b>LD#</b></p>	

018-540-012, 018-540-013, 018-500-019, 018-540-021, 018-540-022, 018-540-023, 018-540-057, 018-550-003, 018-550-004, 018-550-006, 018-690-001, 018-690-004, 018-700-003, 018-700-009, 023-190-054, 023-190-069, 023-190-072, 023-210-009, 023-210-010, 023-210-013, 023-210-016, 023-210-020, 023-210-042, 023-210-044, 023-210-046, 023-210-048, 023-210-057, 023-210-061, 023-340-003, 023-340-005, 023-340-006, 023-340-010, 023-340-027, 023-350-015, 023-350-016, 023-360, 023-360-002, 023-360-003, 023-360-014, 032-190-033, 032-190-042, 032-190-044

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

**DEED OF CONSERVATION EASEMENT AND AGREEMENT**  
**(FALL RIVER MILLS PLANNING UNIT)**

Between

PACIFIC GAS AND ELECTRIC COMPANY, a California corporation,  
as Grantor

and

SHASTA LAND TRUST, a California non-profit public benefit corporation,  
as Grantee

**Note to the County Recorder:** This is a conservation easement within the meaning given to such term in California Government Code §27255 and is to be included in the index developed and maintained pursuant to such section.

**Table of Contents**

	<u>Page</u>
1. Grant of Easement .....	3
2. Purpose .....	3
3. Baseline Documentation Report .....	4
4. Commission and FERC .....	4
5. Rights Conveyed to Grantee .....	4
5.1 Identification, Monitoring and Enforcement.....	4
5.2 Access .....	5
5.3 Grantee Signs .....	5
6. Prohibited Uses .....	6
7. Grantor's Reserved Rights .....	6
7.1 Hydro and Other Reserved Rights .....	6
7.2 Definitions .....	6
7.2.1 Anticipated Significant Actions .....	6
7.2.2 Required Actions.....	6
7.2.3 Specified Required Actions .....	7
7.2.4 Discretionary Action .....	7
7.2.5 Hydro Operating Zone.....	7
7.3 Annual Work Plan Notification, Consultation and Consent Requirements .....	7
7.3.1 Delivery and Contents of Annual Work Plan .....	7
7.3.2 Review of Annual Work Plan.....	8
7.3.3 Anticipated Significant Actions within Hydro Operating Zones .....	8

7.3.4	Anticipated Significant Actions Outside Hydro Operating Zones .....	9
7.4	Anticipated Significant Actions Not Identified in Annual Work Plan .....	9
7.5	Emergency Actions .....	10
7.6	Water Rights .....	10
8.	Responsibility for Operations .....	10
8.1	Condition of Property .....	10
8.2	Taxes .....	11
8.3	Permits and Approvals .....	11
8.4	Limitation on Restoration Obligations .....	11
9.	Third Party Use of the Property .....	11
9.1	Express Third Party Uses .....	11
9.1.1	Increases in Intensity or Expansion of Location or Size or Change in Use .....	11
9.1.2	Renewal or Replacement of Third Party Use Agreements .....	12
9.1.3	Consultation on Express Third Party Uses .....	12
9.1.4	Enforcement of Third Party Use Agreements .....	12
9.2	Informal Uses and Public Access .....	12
9.2.1	Rules and Regulations .....	12
9.2.2	Liability Limitation .....	12
9.2.3	Periodic Review of Informal Uses .....	12
9.3	Unauthorized Third-Party Uses .....	13
10.	Enforcement and Remedies .....	13
10.1	Procedures Upon Violation .....	13
10.2	Litigation .....	14
10.3	Emergency Injunctive Relief .....	14

10.4	Remedies Cumulative.....	14
10.5	Costs of Enforcement .....	14
10.6	No Waiver.....	14
11.	Indemnification and Insurance.....	15
11.1	Indemnification by Grantee .....	15
11.2	Indemnification by Grantor.....	15
11.3	Release.....	15
11.4	Insurance .....	15
12.	Grantee Transfer of Easement .....	16
12.1	Voluntary Transfer .....	16
12.2	Involuntary Transfer .....	16
13.	Subsequent Property Transfers by Grantor.....	17
13.1	Rights of Grantor .....	17
13.2	Potential Release of Hydro Reserved Rights.....	17
13.2.1	Conveyance of Entire Property .....	17
13.2.2	Partial Conveyance .....	18
13.2.3	Grantor's Continuing Reserved Rights.....	19
13.2.4	Easement Amendment.....	19
13.2.5	Transfer Restrictions Remain Applicable .....	19
14.	Extinguishment and Condemnation.....	19
14.1	Extinguishment .....	19
14.2	Condemnation .....	19
14.3	Proceeds.....	19
15.	Estoppel Certificates.....	20
16.	Notices .....	20

17.	Amendment .....	22
18.	Hazardous Substances .....	22
18.1	Definitions .....	22
18.2	Allocation of Responsibility for Hazardous Substances .....	23
18.2.1	Generally .....	23
18.2.2	Environmental Reports .....	23
18.2.3	Grantor Responsibility for the Cost of Necessary Remediation .....	23
18.2.4	No Owner or Operator Liability .....	24
18.3	Hazardous Substances Indemnification .....	24
18.3.1	By Grantor .....	24
18.3.2	By Grantee .....	24
19.	Carbon Rights .....	25
19.1	Promotion of Climate Stability .....	25
19.2	Reservation of Carbon Rights .....	25
19.3	Carbon Certification .....	25
20.	General Provisions .....	25
20.1	Governing Laws .....	25
20.2	No Public Dedication .....	25
20.3	Liberal Construction .....	26
20.4	Further Assurances .....	26
20.5	Severability .....	26
20.6	Entire Agreement .....	26
20.7	No Forfeiture .....	26
20.8	Successors .....	26
20.9	Recordation .....	26

<a href="#">20.10</a>	Termination of Rights and Obligations .....	26
<a href="#">20.11</a>	Attorneys' Fees .....	26
<a href="#">20.12</a>	Mortgage Liens Subordinate .....	27
<a href="#">20.13</a>	Pre-Existing Water Rights .....	27
<a href="#">20.14</a>	Table of Contents and Captions .....	27
<a href="#">20.15</a>	Incorporation of Recitals .....	27
<a href="#">20.16</a>	List of Exhibits .....	27
<a href="#">20.17</a>	Counterparts .....	28

**DEED OF CONSERVATION EASEMENT AND AGREEMENT  
(FALL RIVER MILLS PLANNING UNIT)**

THIS DEED OF CONSERVATION EASEMENT AND AGREEMENT (this "Easement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") by and between PACIFIC GAS AND ELECTRIC COMPANY, a California corporation ("Grantor"), and SHASTA LAND TRUST, a California non-profit public benefit corporation ("Grantee"), with reference to the following facts:

**RECITALS**

A. The Property. Grantor is the owner of approximately 2,446 acres of real property located in Shasta County, State of California, as more particularly described in the attached Exhibit A (the "Property").

B. FPA and FERC Jurisdiction. The Property lies within the boundaries of one or more hydroelectric projects licensed to Grantor pursuant to Part I of the Federal Power Act, 16 U.S.C. §§792-823d ("FPA").

1. FPA and FERC Requirements. The FPA requires regulation of the construction, operation, and maintenance of non-federal hydroelectric power projects pursuant to licenses issued by the Federal Power Commission, or its successor, the Federal Energy Regulatory Commission ("FERC"). Each such license requires the licensee to undertake appropriate measures on behalf of both developmental and environmental public interest uses of a waterway, including as relevant fish and wildlife protection and enhancement, irrigation, flood control, water supply, and recreation, together with whatever other beneficial public uses the license identifies as a "Project Purpose." The license requires the licensee to acquire and retain all interests in non-federal lands and other property necessary or appropriate to carry out the Project Purposes.

2. FPA and FERC Non-Project Uses. The FPA provides FERC with authority to regulate the use of a licensed project's lands and waters not only by the licensee but also by any other entity. FERC refers to such third-party use as "non-project use of project lands and waters." Even where the third-party use may be compatible with and even promote a specified Project Purpose, such use is "non-project," because it is not in the license as a direct obligation of the licensee. As a FERC licensee for the Property which is the subject of this Easement, Grantor must (except for very minor matters) apply to FERC for approval to convey to a third party any easement over project lands. FERC approval requires conveyance instruments to contain recorded covenants providing that that the non-project use will not interfere with Project Purposes, and requires its licensees to enforce such covenants and protect the project values.

3. Removal of FERC Jurisdiction. FERC jurisdiction and authority over a licensed hydropower project is removed if and when (1) the project is

decommissioned and the project license is surrendered or otherwise terminated; or (2) FERC determines that the project does not require a license to continue to operate, and the license expires or is otherwise terminated. Neither FERC nor the hydropower project license can bestow, remove, or alter water or other property rights; therefore, the end of FERC jurisdiction over the project has no effect on existing property rights in project lands and waters, including any conservation easements on such lands.

C. Grantor Party to Settlement Agreement. Grantor is a party to that certain Settlement Agreement (the "**Settlement Agreement**") as modified and approved by the Public Utilities Commission of the State of California (the "**Commission**") in its Opinion and Order of December 18, 2003 (Decision 03-12-035).

D. Grantor Party to Stipulation. In furtherance of the Settlement Agreement, and to provide additional detail regarding the implementation of the "Land Conservation Commitment" (defined below), the parties to the Settlement Agreement and other interested parties entered into that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "**Stipulation**").

E. Governing Documents and Beneficial Public Values. The Settlement Agreement and the Stipulation (collectively, the "**Governing Documents**") require Grantor to ensure that approximately 140,000 acres of watershed lands, all owned by Grantor (collectively, the "**Watershed Lands**"), including the Property, are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The obligations of Grantor to convey conservation easements and protect such beneficial public values on the Watershed Lands, as well as certain other obligations related thereto, are set forth in detail in Appendix E of the Settlement Agreement (as further explicated in Section 12 of the Stipulation), and are defined therein as the "**Land Conservation Commitment**".

F. Stewardship Council and Land Conservation Plan. Pursuant to the Governing Documents, the Pacific Forest and Watershed Lands Stewardship Council, a California non-profit public benefit corporation (the "**Stewardship Council**"), was created to oversee and carry out the Land Conservation Commitment. Pursuant to the Governing Documents, the Stewardship Council developed a plan for protection of the Watershed Lands for the benefit of the citizens of California (the "**Land Conservation Plan**" or "**LCP**"). The LCP includes, among other things, objectives to preserve and/or enhance the beneficial public values identified on each parcel of Watershed Lands.

G. California Civil Code §815. The Legislature of the State of California, as set forth in California Civil Code §815 *et seq.*, has found and declared it to be the public policy and in the public interest of this state to encourage the preservation of land in its predominantly natural, scenic, agricultural, historical, forested, or open-space condition, and it is "the public policy and in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations."

**H. Grantee Qualified Nonprofit Organization.** Grantee is a tax-exempt nonprofit organization qualified under §501(c)(3) of the Internal Revenue Code and is eligible to acquire and hold a perpetual conservation easement pursuant to §815.3(a) of the California Civil Code.

**I. Grantor's Continuing Hydro Project Activities.** Grantor has used and continues to use the Property for the purposes related to the generation of electricity from hydropower facilities and related to the delivery, storage, and consumptive and nonconsumptive use of water as described more fully on attached Exhibit B (the "**Hydro Project Activities**"). In furtherance of the Hydro Project Activities, Grantor has improved portions of the Property with water- and power-related facilities, access roads, recreational facilities, buildings and other structures. The Governing Documents provide that "[c]onservation easements on Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements."

**J. Perpetual Protection of Beneficial Public Values.** Grantee and Grantor intend through this Easement to ensure the perpetual protection of the beneficial public values on the Property as identified in the LCP, on and subject to the terms and conditions of this Easement. Specifically, the parties intend to assure that the beneficial public values identified in the LCP and set forth on Exhibit D (the "**Beneficial Public Values**") will be protected and preserved in perpetuity and that uses of the Property that are inconsistent with protecting and preserving these Beneficial Public Values will be restricted, all as set forth in this Easement; provided, however, that Grantor shall retain all interests not transferred to Grantee by this Easement, including, but not limited to Grantor's Hydro Reserved Rights described in Section 7 below.

## **AGREEMENT**

In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to California Civil Code §815 et seq., Grantor and Grantee further hereby agree as follows:

**1. Grant of Easement.** Grantor hereby grants to Grantee a perpetual "conservation easement" as defined by §815.1 of the Conservation Easement Act of 1979 (California Civil Code §815 et seq.) in gross, in, on, over and across the Property (the "**Conservation Easement**"), subject to and in accordance with the terms and conditions of this Easement.

**2. Purpose.** It is the purpose of this Easement to protect and preserve in perpetuity the Beneficial Public Values on the Property by restricting any use of the Property that will significantly impair the Beneficial Public Values, all subject to and in accordance with the terms and conditions of this Easement (the "**Purpose**"). As used in this Easement, the terms "impair" and "impairment" mean to diminish in quantity,

quality, value, strength or viability. As used in this Easement, the terms "significant" and "significantly," when used with "impair" and "impairment," respectively, mean a greater than negligible adverse impact, for more than a transient period. The parties agree that Grantor's retention of certain rights specified in this Easement, including the Hydro Reserved Rights, is consistent with the Purpose of this Easement.

3. Baseline Documentation Report. The parties acknowledge that certain existing conditions particularly relevant to the Property are documented in a baseline documentation report (the "**Baseline Documentation Report**"). Grantor and Grantee each have a copy of the signed Baseline Documentation Report, executed by both parties to acknowledge their approval and receipt of the Baseline Documentation Report. The parties agree that the Baseline Documentation Report contains an accurate representation of such existing conditions of the Property as of the Effective Date, and is intended to serve as an objective, though non-exclusive, information baseline for monitoring compliance with the terms of this Easement. The foregoing notwithstanding, if a dispute arises with respect to any of the conditions of the Property, the parties shall not be foreclosed from utilizing any and all other relevant documents, surveys, or other evidence or information to assist in the resolution of the dispute.

4. Commission and FERC. The terms and conditions of this Easement are subject to any conditions imposed by the Commission pursuant to Advice Letter No. \_\_\_\_\_ dated \_\_\_\_\_ and effective \_\_\_\_\_. **[Note: citation to decision/resolution to be inserted]** or by FERC pursuant to any hydroelectric project license for the Property or any applicable orders or regulations that FERC may issue from time to time. Notwithstanding anything to the contrary in this Easement, Grantor, its successors, and assigns have the right to perform any and all acts required by an order of FERC, or its successors, without the prior approval of Grantee or any other person. Grantor expressly reserves the right to comply with all FERC orders and regulations as they may be amended from time to time. In addition, Grantee shall comply with any information requests or reporting obligations required by the Commission or FERC, whether directly to the Commission or FERC, or through Grantor; provided that Grantor shall reimburse the reasonable costs and expenses incurred by Grantee in responding to such requests. Execution of this Easement by Grantor does not imply tacit Commission or FERC approval of a non-project use on the Property nor does it obligate Grantor to seek Commission or FERC approval for non-project uses proposed by Grantee.

5. Rights Conveyed to Grantee. Subject to the terms and conditions of this Easement, Grantor grants and conveys to Grantee the following affirmative rights:

5.1 Identification, Monitoring and Enforcement. The right to identify with Grantor the Beneficial Public Values of the Property, the right to monitor and enforce the protection and preservation of such Beneficial Public Values in accordance with the terms of this Easement, the right to enforce the terms of this Easement, the right to enjoin any activity on the Property or other use of the Property which violates the terms of this Easement, and the right to enforce the restoration of such areas or features of the Property as may hereafter be damaged in violation of this Easement.

**5.2 Access.** The right for Grantee and Grantee's directors, officers, partners, members, managers, employees, contractors, subcontractors, consultants, representatives, agents, permittees and invitees ("**Grantee's Representatives**") to enter onto the Property at reasonable times, during normal business hours, not more than twice per calendar year and upon not less than ten (10) business days' advance written notice in order to monitor and inspect the Property, to enforce the rights which are granted herein, to determine whether the activities conducted on the Property are in compliance with the terms of this Easement, and to enforce the restoration of such areas or features of the Property as may have been damaged in violation of this Easement, all in compliance with the provisions of Section 10. Grantee will limit the number of Grantee Representatives entering the Property to those who are reasonably necessary to undertake the inspections, and such entry will be for no more days than are reasonably necessary to carry out the inspections. Grantor's representatives shall have the right to accompany Grantee's Representatives during bi-annual monitoring visits or on any other visit permitted by this Section 5.2. Notwithstanding the foregoing, Grantee shall also have the right of entry upon the Property upon not less than twenty-four (24) hours' advance written notice where such entry is necessary to (i) prevent, terminate, or mitigate a violation of the terms of this Easement; or (ii) monitor actions taken pursuant to the bi-annual inspections contemplated by this Section 5.2. All access and entry allowed under this Section 5.2 will be made in a manner that will not unreasonably interfere with the permitted use(s) of the Property by Grantor, its successors in interest, and any occupant(s) or user(s) of the Property and shall comply with any entry and access guidelines established by Grantor and restrictions contained in any Third Party Use Agreements. Without limiting the preceding sentence, with respect to the power house and hydro facilities at the Property, Grantee shall comply with any and all of Grantor's on-site safety and security requirements and any other rules and regulations that may be implemented by Grantor. Grantee agrees to cooperate with Grantor and to abide by any and all orders or instructions issued by Grantor, its employees, agents or representatives. Upon request, if Grantee's employees or other representatives will be entering into restricted areas of the Property, Grantee shall have its employees who will be entering such areas attend PG&E safety presentations, so that such employees understand all safety precautions and protocols concerning high voltage transmission lines and the electrical substation.

**5.3 Grantee Signs.** Grantee shall have the right, but not the obligation, at its sole cost and expense, to erect, maintain, and/or remove, one or more reasonable, non-illuminated signs or other appropriate markers in locations on the Property visible from any public roads or other adjoining property, bearing information indicating (a) that the Property is protected by the Conservation Easement, and/or (b) the participation of Grantee and of any funder in the stewardship of the Conservation Easement, the wording, size, number, design, and location of which shall be decided upon by Grantee and Grantor, each exercising its reasonable discretion.

6. **Prohibited Uses.** Grantor will not engage in, or permit others to engage in, the prohibited uses set forth on Exhibit F hereto, except as otherwise provided therein ("Prohibited Uses"), which Grantor and Grantee agree are inconsistent with the Purpose of this Easement.

7. **Grantor's Reserved Rights.**

7.1 **Hydro and Other Reserved Rights.** As provided in California Civil Code §815.4, all interests not expressly transferred and conveyed to Grantee by this Easement shall remain in Grantor, including the right to engage in and permit or invite others to engage in all uses of the Property not affected by this Easement nor prohibited by this Easement or by law. In compliance with §815.4, Grantor and Grantee acknowledge and agree that Grantor expressly reserves all rights accruing from the ownership of the Property and not expressly transferred and conveyed to Grantee by this Easement, including without limitation the right to engage in or permit or invite others to engage in all uses of the Property that do not significantly impair the Beneficial Public Values and are not expressly prohibited by this Easement. Without limiting the foregoing, Grantor shall have the right to engage in and permit or invite others to engage in the permitted uses set forth in Exhibit I ("Permitted Uses"). In addition and notwithstanding any other provision of this Easement, Grantor expressly reserves the right to engage in or permit or invite others to engage in those uses set forth in Exhibit C ("Hydro Reserved Rights"), subject to the restrictions set forth in Sections 7.3 and 7.4 below.

7.2 **Definitions.** As used in this Section 7, the following defined terms shall have the meanings set forth below:

7.2.1 **Anticipated Significant Actions.** As used herein, "Anticipated Significant Actions" are (a) those Required Actions (which include Specified Required Actions pursuant to Section 7.2.3), that involve a Prohibited Use and/or that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, (b) Discretionary Actions that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, and (c) Permitted Uses that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values. Except as provided in Section 7.3.1, no Grantee notification, consultation or consent shall be required for actions, activities or improvements that are not Anticipated Significant Actions.

7.2.2 **Required Actions.** As used herein, "Required Actions" are those intended actions, activities or improvements that Grantor determines in Grantor's sole discretion exercised in good faith are required on the Property by any one or more of the following: (a) the Commission, FERC, or any other governmental entity having jurisdiction over Grantor's use, ownership, operation, or management of the Property, including the Hydro Project Activities, or (b) any Applicable Law (as defined in Section 8), or (c) any Third Party Use Agreements, or (d) to comply with professional practices,

standards and/or policies governing the Hydro Project Activities. All references in this Agreement to "Required Actions" shall include Specified Required Actions (as defined below) unless otherwise noted.

**7.2.3 Specified Required Actions.** As used herein, "**Specified Required Actions**" are those Required Actions that require a specified action, activity or improvement on the Property, with respect to which Grantor has no material discretion over the specific details of implementation, including, without limitation, the manner, timing, and location of the Specified Required Action. Without limiting Grantor's notification obligations pursuant to Section 7.3.1 below, no Grantee consultation or consent shall be required with respect to any Specified Required Action.

**7.2.4 Discretionary Action.** As used herein, a "**Discretionary Action**" is an intended action, activity or improvement that is not a Required Action or a Permitted Use, and does not involve a Prohibited Use.

**7.2.5 Hydro Operating Zone.** As used herein, a "**Hydro Operating Zone**" is a spatially delineated area of the Property intended to primarily contain (or immediately adjacent to an area of the Property containing) Hydroelectric Facilities and Associated Water Delivery Facilities, as defined and described on Exhibit B hereto. The initial delineated Hydro Operating Zones are set forth on Exhibit G hereto; provided, however, that, subject to Sections 7.3 and 7.4 below, Grantor shall have the right, as a Discretionary Action governed by Sections 7.3 and 7.4 below, to expand, contract, add or remove Hydro Operating Zones from time to time.

### **7.3 Annual Work Plan Notification, Consultation and Consent Requirements.**

**7.3.1 Delivery and Contents of Annual Work Plan.** No later than February 15th of each calendar year after the Effective Date, Grantor shall prepare and deliver to Grantee an annual work plan for the Property (an "**Annual Work Plan**"). In the Annual Work Plan, Grantor shall inform Grantee of the Anticipated Significant Actions Grantor anticipates undertaking on the Property during such calendar year. The Annual Work Plan shall include the following:

(a) a reasonably detailed description of the Anticipated Significant Actions Grantor intends to commence within such calendar year, together with a bullet point list of those actions Grantor intends to commence during such calendar year that Grantor determines do not constitute Anticipated Significant Actions;

(b) a bullet point list of all actions undertaken by Grantor during the immediately preceding calendar year that Grantor determined did not constitute Anticipated Significant Actions and were not described in a previous Annual Work Plan (or otherwise disclosed to Grantee);

(c) an indication of whether the Anticipated Significant Actions will occur within or outside of a Hydro Operating Zone;

(d) Grantor's determination of which Anticipated Significant Actions are Discretionary Actions;

(e) Grantor's determination of which Anticipated Significant Actions are Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(f) Grantor's determination of which Anticipated Significant Actions are Specified Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(g) Grantor's determination of which Anticipated Significant Actions are Permitted Uses, including a reasonably detailed explanation of the basis for Grantor's determination;

(h) Grantor's estimated timeline for commencement and completion of each of the Anticipated Significant Actions;

(i) a description of Grantor's anticipated efforts to avoid or minimize harm to or impairment of the Beneficial Public Values from the Anticipated Significant Actions;

(j) if and when available, Grantor shall use reasonable efforts to provide copies of any underlying filings (including filings, if any, under the California Environmental Quality Act), permits (e.g., burn permits, stream alteration permits, or timber harvest plans), orders or rulings associated with the Anticipated Significant Actions; and

(k) any Third Party Use Agreement renewals or replacements as contemplated by Section 9.1.2 below.

**7.3.2 Review of Annual Work Plan.** Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Annual Work Plan to review the Annual Work Plan. Grantee has the right to request reasonable additional information regarding actions identified in the Annual Work Plan. As part of the Annual Work Plan review process, Grantor and Grantee will consult on Express Third Party Uses as contemplated by Section 9.1 below and Informal Uses as contemplated by Section 9.2 below. Periodically, at such annual review meetings, the content requirements for the Annual Work Plan as set forth in Section 7.3.1 above may be modified, confirmed by mutual written agreement of the parties.

**7.3.3 Anticipated Significant Actions within Hydro Operating Zones.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Anticipated Significant Actions within a Hydro Operating Zone.

**7.3.4 Anticipated Significant Actions Outside Hydro Operating Zones.** The following provisions shall apply with respect to Anticipated Significant Actions outside of a Hydro Operating Zone:

(a) **Specified Required Actions.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Specified Required Actions outside of a Hydro Operating Zone.

(b) **Other Required Actions and Permitted Uses.** With respect to Required Actions and Permitted Uses disclosed in the Annual Work Plan that are not Specified Required Actions and are to be undertaken outside of a Hydro Operating Zone, Grantor and Grantee agree that, at or prior to the meeting to review the Annual Work Plan, Grantee may (but shall be under no obligation to) propose alternative methods and practices to avoid or minimize harm to or impairment of one or more Beneficial Public Values by such Anticipated Significant Actions ("**Proposed Methods and Practices**"). Grantor shall implement the Proposed Methods and Practices, to the extent Grantor determines in its sole discretion exercised in good faith that the Proposed Methods and Practices (i) may be implemented in a commercially reasonable manner balancing the harm to Beneficial Public Values with any increased cost or burden to Grantor, (ii) where applicable, will allow for the completion of a Required Action in a timely manner, and (iii) are reasonably likely to avoid potential harm to or impairment of one or more Beneficial Public Values. If Grantor determines that one or more of the foregoing conditions has not been satisfied, Grantor shall specify the reasons for this determination in detail, and Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantor's objections to Grantee's Proposed Methods and Practices consistent with this paragraph.

(c) **Discretionary Actions.** With respect to Discretionary Actions disclosed in the Annual Work Plan that are to be undertaken outside of a Hydro Operating Zone, such Discretionary Actions shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee. If Grantee fails to grant or deny Grantor's request for consent within one hundred eighty (180) days following Grantee's receipt of Grantor's request for consent, Grantee shall be deemed to have consented to the particular Discretionary Action described in the request. If Grantee withholds its consent to such proposed Discretionary Action to be undertaken outside of a Hydro Operating Zone, Grantee shall specify its objections in detail and, wherever possible, propose commercially reasonable alternatives, methods and/or practices to avoid or mitigate harm to or impairment of the Beneficial Public Values while substantially achieving the purposes of Grantor's proposed Discretionary Action. Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantee's objections in a manner that sufficiently mitigates Grantee's objections to its reasonable satisfaction.

**7.4 Anticipated Significant Actions Not Identified in Annual Work Plan.**

If Grantor intends to undertake an Anticipated Significant Action not identified in an Annual Work Plan, Grantor shall notify Grantee (a "**Notice of Action**"), and include the

information required by Section 7.3.1 above. Additionally, Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Notice of Action to review Grantor's proposed Anticipated Significant Actions. Any Anticipated Significant Action (other than a Specified Required Action) identified in a Notice of Action which is proposed to occur outside of a Hydro Operating Zone shall be subject to Section 7.3.4 above. Where this Section 7.4 applies, references to the "Annual Work Plan" in Section 7.3.4 above shall be deemed to be references to the applicable Notice of Action except that Grantor shall not be required to provide the list of actions set forth in Section 7.3.1(b) above.

**7.5 Emergency Actions.** Notwithstanding any other provisions of this Section 7, in the case of an emergency or other exigent circumstance affecting the safety of persons and/or property, Grantor may exercise its Hydro Reserved Rights and take any other remedial actions in an unrestricted manner on all or any portion of the Property within or outside of a Hydro Operating Zone without consultation with Grantee and without Grantee's consent. Grantor shall provide copies of any required notifications to applicable regulatory agencies of the emergency action and shall notify Grantee of those emergency actions taken, such notice to be provided to Grantee as soon as practicable but in any event within thirty (30) days after the emergency action has occurred.

**7.6 Water Rights.** The Parties acknowledge that Grantor's exercise of water rights relating to water located or flowing on or under the Property, including those described in Exhibit C, are governed by this Section 7.

**8. Responsibility for Operations.** Nothing in this Easement shall be construed as giving any right or ability to Grantee to exercise physical or managerial control of the day-to-day operations of the Property or of Grantor's activities on the Property. Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, the ownership of the Property. In connection with Grantor's use or occupancy of the Property, Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, compliance with any present and future applicable laws, ordinances, rules, regulations, permits, licenses, authorizations, orders and requirements, whether or not in the current contemplation of the parties, which may affect or be applicable to the Property or any part of the Property (including, without limitation, any subsurface area), all consents or approvals required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, or any other governmental or quasi-governmental body or bodies exercising similar functions, having or acquiring jurisdiction of the Property (in each case, an **"Applicable Law"**), except as expressly stated otherwise in this Easement. Without placing any limitation on the foregoing sentence, the parties agree as follows:

**8.1 Condition of Property.** Grantee shall have no duty or responsibility for (a) the operation or maintenance of the Property except to the extent specifically undertaken by Grantee as permitted under this Easement, (b) the monitoring of any

hazardous conditions thereon, or (c) the protection of Grantor, the public, or any other person or entity from any risks relating to conditions on the Property.

**8.2 Taxes.** Grantee shall have no duty or responsibility for real property taxes and assessments levied on the Property.

**8.3 Permits and Approvals.** Grantor shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantor which is permitted by this Easement; provided, however, Grantor shall have no responsibility pursuant to this Easement for obtaining permits and approvals required on behalf of unrelated third parties who occupy or use the Property or for an unrelated third party's failure to comply with Applicable Laws. Grantee shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantee which is permitted by this Easement.

**8.4 Limitation on Restoration Obligations.** Nothing in this Easement shall require Grantor to take any action to restore the condition of the Property after (a) any Act of God, which includes, without limitation, fire, climate change, flood, storm, earth movement, or natural evolutionary changes in the condition of the Property from that described in the Baseline Documentation Report; (b) any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or to any person resulting from such causes; or (c) the non-permitted acts of unrelated third parties so long as Grantor has satisfied its obligations under Section 9.3.

## 9. Third Party Use of the Property.

**9.1 Express Third Party Uses.** Exhibit H hereto describes the existing third party uses of the Property permitted with the express agreement of Grantor ("**Express Third Party Uses**"). Subject to Section 7 above, Express Third Party Uses shall also include any future third party use implemented by Grantor as a Required Action or as a Discretionary Action approved by Grantee in accordance with Section 7. Grantor retains the right to maintain, renew, and replace all agreements memorializing the Express Third Party Uses ("**Third Party Use Agreements**") and to engage in all activities reasonably required to comply with Grantor's obligations with respect to the Express Third Party Uses, subject to the following conditions:

**9.1.1 Increases in Intensity or Expansion of Location or Size or Change in Use.** Any (i) increase in the intensity, or (ii) expansion of the location or size, or (iii) a change in the use, of an Express Third Party Use (whether through a new agreement or an amendment to an existing agreement), that Grantor determines in Grantor's reasonable discretion exercised in good faith is likely to significantly impair the Beneficial Public Values shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee, except

if such change in Express Third Party Use constitutes a Required Action in which case the consultation provisions of Section 7 above shall apply.

**9.1.2 Renewal or Replacement of Third Party Use Agreements.**

All Third Party Use Agreements existing on the date hereof are identified on Exhibit H. As Third Party Use Agreements are renewed or replaced (either with the existing user or a new user), Grantor, in consultation with Grantee as part of the Annual Work Plan consultation in accordance with Section 7.3 above, shall include contractual provisions to bring the continuation of the Express Third Party Use and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.3 Consultation on Express Third Party Uses.** As part of the

Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on existing Express Third Party Uses, including recommendations, if any, on how to bring the Express Third Party Uses and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.4 Enforcement of Third Party Use Agreements.** If Grantor or

Grantee discovers any default under a Third Party Use Agreement that significantly impairs the Beneficial Public Values (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts to enforce such Third Party Use Agreement or otherwise remedy such violation, at Grantor's sole expense.

**9.2 Informal Uses and Public Access.** Grantor and Grantee recognize that the Property has been used by third parties for recreational, cultural, and other non-commercial or informal purposes without formal written agreements to conduct such activities (the "**Informal Uses**"). Grantor and Grantee further recognize that access is inherent or may be inherent in the enjoyment of the Beneficial Public Values and the Informal Uses. Consistent with the objectives articulated in the Governing Documents to provide continued reasonable access by the public to the Watershed Lands, Grantor shall allow public access to the Property (other than Hydro Operating Zones) that is substantially consistent with the public access existing on the Effective Date, subject to Section 7 and the following limitations:

**9.2.1 Rules and Regulations.** Grantor reserves the right to make reasonable rules and regulations to control, limit, or, as necessary, exclude Informal Uses and public access.

**9.2.2 Liability Limitation.** Grantor and Grantee claim all of the rights and immunities against liability for injury to the public to the fullest extent allowable by law.

**9.2.3 Periodic Review of Informal Uses.** As part of the Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on Informal Uses, including recommendations made by Grantor or Grantee, if any,

regarding the necessity of controlling, limiting or excluding the Informal Uses to ensure the preservation of the Beneficial Public Values.

**9.3 Unauthorized Third-Party Uses.** If Grantor or Grantee discovers any unauthorized third-party use or activity on the Property (not including any third party violation covered by Section 9.1.4 above) that violates the terms of this Easement (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts, in consultation with Grantee, to stop or prevent any such unauthorized use of the Property, at Grantor's sole expense; provided that in no event shall Grantor's obligations under this Section 9.3 require Grantor to pursue legal action or incur other substantial costs. If Grantee demonstrates that Grantor's efforts in compliance with this Section 9.3 have not prevented, or are unlikely to prevent, the unauthorized third-party use or activity on the Property that violates the terms of this Easement, Grantee may meet and confer with Grantor to propose additional efforts to prevent such use or activity which Grantee may undertake, at Grantee's sole expense. Grantor shall consider such proposal in good faith and, if Grantor permits Grantee to use such additional efforts, the scope and duration of such efforts shall be determined by Grantor, and Grantee shall comply with any requirements imposed by Grantor in connection with such efforts.

**10. Enforcement and Remedies.**

**10.1 Procedures Upon Violation.** If a party hereto (the "**Non-Breaching Party**") determines there is a breach of the terms of this Easement or that a breach is threatened, written notice of such breach (the "**Notice of Breach**") and a demand for corrective action sufficient to cure the breach shall be given by the Non-Breaching Party to the party allegedly breaching this Easement (the "**Breaching Party**"). Within fourteen (14) days after delivery of a Notice of Breach, Grantor and Grantee shall meet at a location in the County where the Property is located or as otherwise agreed to by the parties to discuss the circumstances of the alleged or threatened breach and to attempt to agree on appropriate corrective action. If the parties mutually determine that it is appropriate and desirable, a duly qualified expert in the subject matter of the alleged breach (the "**Consulting Expert**") shall attend the meeting. Grantor and Grantee shall each pay one-half of the costs of retaining the services of the Consulting Expert for such discussion; provided, however, that if Grantor and Grantee are unable to agree upon a Consulting Expert, each party may retain the services of an expert at its own expense. If Grantor and Grantee are unable to agree on appropriate corrective action (or if any such corrective action is required) within thirty (30) days after such meeting, then the Non-Breaching Party may, at its election, deliver a further written notice to the Breaching Party to demand reasonable, particular corrective action to cure the breach (the "**Notice of Easement Violation**"). If a violation is not cured within thirty (30) days after the delivery of the Notice of Easement Violation, or if the cure reasonably requires more than thirty (30) days to complete and there is failure to begin the cure within the 30-day period or failure to continue diligently to complete the cure, the Non-Breaching Party may commence litigation in accordance with Section 10.2 below.

**10.2 Litigation.** If the parties are not able to resolve a claim or dispute pursuant to Section 10.1 above, the Non-Breaching Party may bring an action at law or in equity in a court of competent jurisdiction to enforce compliance with the terms of this Easement, to recover any damages to which Non-Breaching Party may be entitled for violation of the terms of this Easement, or for any other legal or equitable relief available under California law, including, but not limited to, temporary or permanent injunctive relief, monetary damages and/or any other form of relief required to achieve the restoration of the Property to the condition in which it existed prior to any violation. To the extent that Grantee recovers any monetary damages for the cost of restoring any injury or damage to a portion of the Property that is caused by Grantor's breach of this Easement, all such damages recovered by Grantee (after appropriate costs of suit are reimbursed) shall be applied to the cost of undertaking any corrective action to the applicable portion of the Property. Notwithstanding anything to the contrary contained in this Easement, in no event shall the Breaching Party be liable to the Non-Breaching Party for, and the parties each hereby waive their right to, any indirect, special, punitive, or consequential damages resulting from the Breaching Party's breach of this Easement, whether foreseeable or unforeseeable.

**10.3 Emergency Injunctive Relief.** If circumstances require immediate action to prevent or mitigate a violation of this Easement and the Non-Breaching Party reasonably determines that irreparable harm would result if the Non-Breaching Party were required to complete the process set forth in Section 10.1, the Non-Breaching Party may proceed immediately to seek an injunction to stop the violation, temporarily or permanently.

**10.4 Remedies Cumulative.** The remedies described in this Section 10 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including but not limited to, the remedies set forth in California Civil Code §815 *et seq.*, inclusive. The failure of a party to discover a violation or to take immediate legal action shall not bar taking such action at a later time.

**10.5 Costs of Enforcement.** All costs incurred in enforcing the terms of this Easement, including, but not limited to, costs of suit and reasonable attorneys' fees as set forth in Section 20.11, shall be borne by the Breaching Party, but only to the extent that a breach of this Easement is determined to have occurred. If, after the Non-Breaching Party delivers a Notice of Easement Violation, it is determined that there was no breach of this Easement by the Breaching Party, the Non-Breaching Party shall pay all of the Breaching Party's costs and expenses incurred in connection with the alleged breach.

**10.6 No Waiver.** Enforcement of this Easement against a party shall be at the discretion of the Non-Breaching Party, and any forbearance by the Non-Breaching Party to exercise its rights under this Easement in the event of any breach of any term of this Easement shall not be deemed or construed to be a waiver by the Non-Breaching Party of such term or of any subsequent breach of the same or any other term of this Easement or of any of such party's rights under this Easement. No delay or omission by the Non-Breaching Party in the exercise of any right or remedy shall impair

such right or remedy or be construed as a waiver. A party's permission to the other party to carry out, or failure to object to, any proposed use or activity by the other party shall not constitute consent to any subsequent use or activity of the same or different nature.

**11. Indemnification and Insurance.**

**11.1 Indemnification by Grantee.** Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantor, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantor Indemnitees**") from and against all claims, losses, actions, demands, damages, costs, expenses (including, but not limited to, experts' fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "**Claims**") arising out of or in connection with this Easement or the Property to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.2 Indemnification by Grantor.** Grantor shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantee, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantee Indemnitees**") from and against all Claims arising out of or in connection with this Easement or the Property except to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.3 Release.** Entry onto the Property by Grantee and Grantee's Representatives shall be at Grantee's sole risk and expense, and Grantee accepts all risk relating to the condition of the Property. Notwithstanding the provisions of Section 11.2, Grantor shall not be liable to Grantee for, and to the maximum extent permitted by law, Grantee hereby waives and releases Grantor and the other Grantor Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss to Grantee and/or Grantee's Representatives resulting from or attributable to any occurrence relating to the condition of the Property, except if arising solely from Grantor's gross negligence or willful misconduct.

**11.4 Insurance.** Grantee shall procure, carry and maintain in effect during all access to the Property throughout the term of this Easement the insurance specified in Exhibit E hereto, provided that Grantor reserves the right to periodically review and reasonably modify the insurance requirements specified in Exhibit E in effect to be generally consistent with requirements of other prudent property owners allowing access to their properties by conservation easement holders. All insurance shall be written on forms and with insurance carriers acceptable to Grantor in its commercially reasonable judgment. Prior to Grantee's initial entry onto the Property, and thereafter at least thirty (30) days prior to the expiration date of any policy, Grantee shall provide Grantor with evidence of the insurance coverage, or continuing coverage, as applicable, satisfying the requirements of this Section 11.4 and Exhibit E. Grantee is also responsible for causing Grantee's agents and contractors entering the Property to

comply with the insurance requirements of this Easement at all relevant times, the insurance being specified in Exhibit E. Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold the Grantor Indemnitees harmless against claims, losses, costs (including attorneys' fees and costs), liabilities and damages resulting from the failure of Grantee, or any of Grantee's consultants, contractors or subcontractors, to comply with the insurance requirements set forth in this Section 11.4 and Exhibit E. Except for the right to access the Property under Section 5.2 above, which shall be conditioned upon carrying insurance required herein, no failure to carry such insurance or to provide a certificate thereof by any such deadline shall alter or affect in any manner any of the rights or obligations of the parties under or with respect to this Easement. The foregoing insurance requirements shall not apply in the event that the Grantee is a governmental agency with a self-insurance program reasonably acceptable to Grantor.

**12. Grantee Transfer of Easement.**

**12.1 Voluntary Transfer.**

12.1.1 If Grantee desires to assign its interest under this Easement, Grantee shall provide Grantor and the Sierra Nevada Conservancy ("SNC") with written notice of such intention to transfer to an assignee which is (a) qualified to hold a conservation easement under §815.3 of the California Civil Code; and (b) willing and with the financial capability (taking into account any stewardship funds to be transferred by Grantee with this Easement) and organizational experience to assume all of the responsibilities imposed on Grantee under this Easement; and (c) acceptable to Grantor in its reasonable discretion. Grantee shall allow the SNC, in consultation with Grantor, a period of not less than sixty (60) days within which to approve the proposed assignee, which approval shall not be unreasonably withheld and shall be based on whether the proposed assignee meets the designation criteria specified in this Section 12.1.1.

12.1.2 Grantee is responsible for identifying a suitable assignee pursuant to Section 12.1.1. However, if a suitable assignee is not identified, then SNC shall have sole discretion to elect to become the assignee of Grantee's interest hereunder.

12.1.3 As conditions to any assignment of Grantee's interest under this Easement, Grantee shall (a) require the assignee to expressly agree in writing to assume Grantee's obligations hereunder, and (b) ensure that such assignee has the resources to fulfill its obligations under this Easement. Notwithstanding anything in this Section 12.1 to the contrary, this Easement shall not be transferred by Grantee to any governmental entity, public agency or Native American tribe without the consent of the Grantor, which consent shall be in Grantor's sole discretion exercised in good faith.

**12.2 Involuntary Transfer.** If Grantee ever ceases to exist or no longer qualifies under §815.3 of the California Civil Code, the Stewardship Council (or its designee), or if the Stewardship Council (or its designee) shall cease to exist, the Attorney General of the State of California, shall petition a court of competent

jurisdiction to transfer this Easement to an organization that meets all of the designation criteria specified in Section 12.1.

**13. Subsequent Property Transfers by Grantor.**

**13.1 Rights of Grantor.** Subject to the provisions of Sections 7 and 9 above, this Section 13, Section 20.12 below, and Exhibit F, Paragraph 1 below, Grantor shall have the unrestricted right to sell, encumber, or otherwise transfer the Property or portions thereof to anyone Grantor chooses. Notwithstanding the foregoing, Grantor shall disclose the existence of this Easement (including reference to the recording information) in any deed or other legal instrument by which Grantor divests itself of a real property interest in all or a portion of the Property, including, without limitation, a leasehold interest, and all such conveyances shall be made expressly subject to the terms of this Easement. Grantor shall notify Grantee periodically of any contemplated grants by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. Additionally, Grantor shall notify Grantee in writing not more than thirty (30) days after any grant by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. The failure of Grantor to perform any act required by this Section 13 shall not impair the validity of this Easement or limit its enforcement in any way or create any obligation on the part of Grantee. Grantor recognizes that Grantee may incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title of the Property, Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

**13.2 Potential Release of Hydro Reserved Rights.**

**13.2.1 Conveyance of Entire Property.** In the event:

(a) Grantor intends to transfer fee title to the entire Property to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Property have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Property,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses prior to said transfer of the entire Property, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Property, (i) all rights of Grantor described in Exhibit C, (ii) the exceptions to the Prohibited Uses for Required Actions and Specified Required Actions set forth in Exhibit F, (iii) the exceptions to the Prohibited Uses in Exhibit F relating to activities within the Hydro Operating Zone, and (iv) Permitted Uses, to the extent related to the Hydro Project Activities, as set forth in Exhibit I (items (i), (ii), (iii) and (iv) being referred to collectively as the "**Reservations**"). Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.2 Partial Conveyance.** In the event:

(a) Grantor intends to transfer fee title to less than the entire Property (the "**Transferred Parcel**") to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Transferred Parcel have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Transferred Parcel,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses, prior to said transfer of the Transferred Parcel, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Transferred Parcel, the Reservations with respect to the Transferred Parcel. Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) on the Transferred Parcel shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations as to the Transferred Parcel. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I on the Transferred Parcel shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.3 Grantor's Continuing Reserved Rights.** Nothing in Section 13.2.2 shall limit the rights of Grantor in this Easement with respect to the portion of the Property retained by Grantor.

**13.2.4 Easement Amendment.** In the event of a conveyance and release of Reservations pursuant to this Section 13.2, Grantor and Grantee may agree to amend this Easement, or to create a separate Easement for the Transferred Parcel and for the remaining portion of the Property in accordance with Section 17, to reflect the release of Reservations and, where appropriate, to reflect separate ownership of the Transferred Parcel and the remainder of the Property. In accordance with Section 17 below, Grantor shall reimburse Grantee for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of any amendment or separate Easement pursuant to this Section, including costs incurred in consideration of whether an amendment and/or new Easement(s) is/are necessary or appropriate.

**13.2.5 Transfer Restrictions Remain Applicable.** Nothing herein shall affect Grantor's obligations under Section 1 of Exhibit F.

**14. Extinguishment and Condemnation.**

**14.1 Extinguishment.** If circumstances arise in the future such as render the Purpose of this Easement impossible to accomplish, this Easement shall only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. Grantor's economic hardship shall not be a reason to extinguish this Easement.

**14.2 Condemnation.** If all or part of the Property is taken by the exercise of the power of eminent domain by a public, corporate, or other authority, whether permanent or temporary, including a private sale in lieu of eminent domain, so as to abrogate the restrictions imposed by the Conservation Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking. All compensation thereby awarded will belong and be paid to Grantor and Grantee in proportion to their respective interests in the Property as determined pursuant to Section 14.3, it being expressly agreed that the Conservation Easement constitutes a compensable property right. All expenses incurred by Grantor and Grantee in such action shall be paid out of the recovered proceeds. Grantor and Grantee acknowledge that any and all awards to Grantor and Grantee may be subject to the approval of the Commission and/or the FERC.

**14.3 Proceeds.** Pursuant to California Civil Code §815.2(a) this Easement constitutes a real property interest immediately vested in Grantee. It is acknowledged by the parties that the purposes of establishing the value of this property right and enforcing the rights of Grantee with respect thereto is to prevent a private windfall and to protect the public investment which is involved in the conveyance of the Conservation Easement. That being the case, the parties stipulate that, for the purpose of determining the ratio for proportionate value of each party's

respective interest in the Property at the time of termination or extinguishment of the Conservation Easement, the value of the Conservation Easement shall be the difference between (a) the current fair market value of the fee interest in the Property at the time of termination, as if unencumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements), and (b) the current fair market value of the Property at the time of termination, as encumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements). The values shall be determined by an appraisal prepared by a qualified appraiser familiar with appraising conservation easements jointly selected by Grantor and Grantee. The cost of the appraisal shall be paid out of proceeds in proportion to the recoveries of Grantor and Grantee. There shall be no restriction on Grantor's or Grantee's use of proceeds received pursuant to this Section 14.3.

**15. Estoppel Certificates.** Grantee shall, within thirty (30) days after receiving Grantor's written request therefor (not to exceed once during any twelve (12) month period), execute and deliver to Grantor a document certifying, to the actual knowledge of the person executing the document without any duty of investigation, that Grantor is in compliance with any obligation of Grantor contained in this Easement, or otherwise evidencing the status of such obligation to the extent of Grantee's actual knowledge thereof, as may be reasonably requested by Grantor.

**16. Notices.** **[Note: Always confirm PG&E's notices address are current.]** Any notice or other communication required or permitted under this Easement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx, UPS, or Airborne Express, addressed to the parties as follows:

If to Grantor: If by registered or certified mail, return receipt requested:

Director, Land Management  
Pacific Gas and Electric Company  
P.O. Box 770000, Mail Code N10A  
San Francisco, CA 94177  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Managing Counsel, Commercial and Transactions  
(Real Estate)  
Re: Land Conservation Commitment

If by personal delivery or overnight courier:

Director, Land Management  
Pacific Gas and Electric Company  
245 Market Street, Room 1051  
San Francisco, CA 94105  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Managing Counsel, Commercial and Transactions  
(Real Estate)  
Re: Land Conservation Commitment

If to Grantee:

If by registered or certified mail, return receipt requested:

Shasta Land Trust  
5170 Bechelli Lane  
P.O. Box 992026  
Redding, CA 96099-2026  
Attn: Executive Director

If by personal delivery or overnight courier:

Shasta Land Trust  
5170 Bechelli Lane  
Redding, CA 96002  
Attn: Executive Director

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Either party may change the address for notice by giving notice to the other party in accordance with this Section 16.

**17. Amendment.** This Easement may not be amended, except by written amendment executed by Grantor and Grantee or their respective successors and assigns and recorded in the official public records of the jurisdiction where the Property is located. If circumstances arise under which an amendment would be appropriate, any such amendment shall be consistent with Grantee's conservation easement amendment policy(ies), and the Purpose of this Easement, including continuing to protect and preserve the Beneficial Public Values, and shall not affect the perpetual duration of this Easement or the qualification of the Conservation Easement as a conservation easement under California Civil Code §815 et seq. (or successor thereto). Grantee shall promptly record the amendment in the official records of the County in which the Property is located, and shall thereafter promptly provide a conformed copy of the recorded amendment to Grantor. The party requesting the amendment shall reimburse the non-requesting party for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of such amendment. Grantor shall be deemed to be the "party requesting the amendment" in connection with any amendment and/or new conservation easement(s) pursuant to Section 13 above and the "reasonable costs incurred" shall include consideration of whether an amendment and/or new conservation easement(s) is/are necessary or appropriate.

**18. Hazardous Substances.**

**18.1 Definitions.** The following terms have the meanings ascribed to them below for purposes of this Easement:

**18.1.1 "Environmental Requirements"** means all applicable present and future laws, statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, judicial, administrative and regulatory decrees, directives and judgments of all governmental agencies, departments, commissions and boards, relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, including, without limitation, all requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of Hazardous Substances, whether solid, liquid or gaseous in nature, into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances, whether solid, liquid or gaseous in nature.

**18.1.2 "Hazardous Substances"** means any hazardous or toxic material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government under any Environmental Requirements, including, without limitation, any material or substance:

(a) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable local, state or federal law or under the regulations adopted or promulgated pursuant thereto; and all rules and

regulations of the United States or California Environmental Protection Agency or any successor agency, or any other state or federal department, board or agency, or any other agency or governmental board or entity having jurisdiction, as any of the foregoing have been, or are hereafter amended from time to time; or

(b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, any State of the United States or any political subdivision thereof; or which cause, or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or

(c) the presence of which on the Property poses or threatens to pose a hazard to the health or safety of persons or to the environment; or

(d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or

(f) which contains radon gas.

**18.1.3 "Necessary Remediation"** means Remediation required by any governmental agency which has jurisdiction over the Remediation pursuant to the Environmental Requirements.

**18.1.4 "Remediation"** refers to the process of, and all work and planning performed in connection with, the investigation, testing for, monitoring, remediation, containment, transportation, removal and disposal or recycling of Hazardous Substances from the Property and any other property to which Hazardous Substances originating on the Property have migrated or may migrate in the future, and the repair and restoration of the Property, and restoration and mitigation of affected natural resources, regardless of whether such actions are required by Environmental Requirements.

## **18.2 Allocation of Responsibility for Hazardous Substances.**

**18.2.1 Generally.** Grantor shall (as between Grantor and Grantee) bear the cost for the Necessary Remediation of Hazardous Substances.

**18.2.2 Environmental Reports.** Grantor, as part of the Land Conservation Commitment has prepared certain environmental reports concerning the Property. Copies of these environmental reports have been provided to Grantee.

**18.2.3 Grantor Responsibility for the Cost of Necessary Remediation.** Grantor shall retain responsibility for the cost of Necessary Remediation

of Hazardous Substance releases in soil and groundwater, whether occurring in the past or at any time in the future, which are present on the Property, provided that Grantee did not cause, in whole or in part, such Hazardous Substance contamination.

**18.2.4 No Owner or Operator Liability.** The parties do not intend this Easement to be, and this Easement shall not be, construed such that it creates in or gives to Grantee any of the following solely as the result of being a holder of the Conservation Easement:

- (a) The obligations or liability of an "owner" or "operator" or "arranger," as those terms are defined and used in Environmental Requirements;
- (b) The obligations or liabilities of a person described in 42 U.S.C. §9607(a)(3) or (4);
- (c) The obligations of a responsible person under any applicable Environmental Requirements;
- (d) The right to investigate and remediate any Hazardous Substances associated with the Property; or
- (e) Any control over Grantor's ability to investigate, remove, remediate or otherwise clean up any Hazardous Substances associated with the Property.

**18.3 Hazardous Substances Indemnification.**

**18.3.1 By Grantor.** Grantor agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantee harmless, from and against any and all losses (including diminution in the value of the Property and other consequential damages), costs, claims, demands, actions, suits, orders, causes of action, penalties, fines, taxes, obligations, controversies, debts, expenses, accounts, damages (including, without limitation, punitive damages), judgments and liabilities of whatever kind or nature, and by whomsoever asserted, in law, equity or otherwise, including, without limitation, the actual fees and expenses of experts, attorneys and others and the payment of "response costs" under CERCLA or any other Environmental Requirements, arising from or relating, in whole or in part, to Hazardous Substances present at the Property, alleged to be present there, or otherwise connected in any way to the Property, whether before, on, or after the date of this Easement (collectively, "**Environmental Claims**"), except to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

**18.3.2 By Grantee.** Grantee agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantor harmless, from and against any and all Environmental Claims, to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

**19. Carbon Rights.**

**19.1 Promotion of Climate Stability.** Grantor and Grantee anticipate that the protection and preservation of the Beneficial Public Values will promote climate stability, especially the ability of the forest to store atmospheric carbon as a means to mitigate global warming, which is recognized as being of public benefit by the 1993 United Nations Framework Convention on Climate Change, the federal Energy Policy Act of 2002, section 1605(a) and (b), the United States Climate Challenge Program, the 2007 reports of the International Panel on Climate Change, and California legislation such as that embodied in Fish and Game Code Section 1356.

**19.2 Reservation of Carbon Rights.** Grantor exclusively reserves to itself, and to its representatives, successors and assigns, any and all carbon rights and obligations appurtenant to or accruing from the Property as may exist as of the date of recordation of this Easement or as may be granted, discovered, created, declared or developed in the future, including, but not limited to, the right to (subject to and in accordance with Section 7 hereof) use, store, sequester, accumulate, and/or depreciate carbon within or on the Property and the right to trade, sell, transfer, or lease these rights. Grantor and Grantee acknowledge and agree that these carbon rights are consistent with the Beneficial Public Values, and this Easement shall not extinguish or otherwise impair the carbon rights and obligations appurtenant to or accruing from the Property.

**19.3 Carbon Certification.** In furtherance of Grantor's exercise of the carbon rights reserved hereunder, Grantor may elect to enter into an agreement not inconsistent with this Easement respecting such reserved rights as may be required by a third party that Grantor chooses ("**Carbon Certification Party**") in order to facilitate the sale, transfer or lease of the carbon rights and may record such agreement in the official records of any County where the Property is located. To the extent reasonably required by any Carbon Certification Party and requested by Grantor, Grantee, at Grantor's cost and expense, shall cooperate with Grantor by accommodating Grantor's establishment, verification or certification of the carbon rights in connection with the Property. Grantor agrees to notify Grantee at least thirty (30) days prior to any sale, transfer or lease of these carbon rights or the recording of an agreement with respect thereto, unless Grantor has previously notified Grantee in an Annual Work Plan.

**20. General Provisions.**

**20.1 Governing Laws.** This Easement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

**20.2 No Public Dedication.** Nothing contained in this Easement shall be construed or deemed to be an express or implied dedication or gift of all or any portion of the Property for use or access by the general public nor shall this Easement or any of the rights granted hereunder be construed as an acknowledgement of any claim of prescriptive or other similar rights in or over the Property.

**20.3 Liberal Construction.** Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed to effect the Purpose of this Easement and the policy and purpose of California Civil Code §815 et seq., while recognizing Grantor's reserved rights. If any provision in this Easement is found to be ambiguous, an interpretation consistent with the Purpose of this Easement, which recognizes Grantor's reserved rights and that would render the provision valid shall be favored over any interpretation that would render it invalid.

**20.4 Further Assurances.** Each party hereto agrees to execute and deliver to the other party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the parties as contained in this Easement.

**20.5 Severability.** If any provision of this Easement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Easement, and to this end the provisions of this Easement are intended to be and shall be severable.

**20.6 Entire Agreement.** This Easement sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein.

**20.7 No Forfeiture.** Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

**20.8 Successors.** The easement created by this instrument shall be a servitude running with the land in perpetuity. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns and shall run with the Property. However, this Easement shall not create or bestow any lien or property right in any third party. Grantor and Grantee agree that no third party beneficiary to this Easement exists and that nothing contained herein shall be construed as giving any person third party beneficiary status or any right of enforcement hereunder.

**20.9 Recordation.** Grantee shall promptly record this Easement in the official records of the County in which the Property is located, and shall thereafter promptly provide to Grantor a copy hereof showing the recording information. Grantee may re-record this Easement at any time as may be required to preserve its rights in this Easement.

**20.10 Termination of Rights and Obligations.** A party's rights and obligations under this Easement shall terminate only upon transfer of the party's interest in all or portions of either the Conservation Easement or the Property, except that liability for acts or omissions occurring prior to transfer shall survive the transfer.

**20.11 Attorneys' Fees.** In the event that any party shall bring an action to enforce its rights under this Easement, or relating to the interpretation hereof, whether

for declaratory, injunctive or other relief, the prevailing party in any such proceeding shall be entitled to recover from the other party reasonable attorneys' fees and all costs, expenses and disbursements that the prevailing party incurred in connection with such proceeding, including appeals, remands and any other subsequent proceeding (including, but not limited to, the reasonable costs of discovery, investigation, preparation for trial, professional or expert consultation and testimony). A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. The non-prevailing party shall also pay the attorneys' fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. Any such fees and costs incurred prior to judgment, award, or decree may be included in any judgment, award or decree entered in such proceeding in favor of the prevailing party. Any such fees, costs and expenses incurred by the prevailing party in enforcing a judgment, award or decree in its favor shall be recoverable separately from and in addition to any other amount included in such judgment, award or decree. This provision is separate and several and shall survive the merger of this Easement into any judgment on this Easement.

**20.12 Mortgage Liens Subordinate.** No provision of this Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any lien securing such loan (a "**Mortgage Lien**"), regardless of date, shall be subordinate to the terms of this Easement and Grantee's rights under this Easement. Under no circumstances may Grantee's rights be extinguished or otherwise affected by the recording, foreclosure, or any other action taken concerning any Mortgage Lien.

**20.13 Pre-Existing Water Rights.** In accordance with Section 12(e) of the Stipulation, this Easement does not impact the authority of third-party holders of water rights to exercise those rights.

**20.14 Table of Contents and Captions.** The table of contents and captions in this Easement have been inserted solely for convenience of reference and are not a part of this Easement and shall have no effect upon construction or interpretation.

**20.15 Incorporation of Recitals.** All Recitals are incorporated herein by this reference.

**20.16 List of Exhibits.** The following exhibits are attached hereto and incorporated herein by this reference:

<u>Exhibit A</u>	Property Description
<u>Exhibit B</u>	Description of Hydro Project Activities and Hydroelectric Facilities and Associated Water Delivery Facilities
<u>Exhibit C</u>	Hydro Reserved Rights
<u>Exhibit D</u>	Beneficial Public Values
<u>Exhibit E</u>	Insurance Requirements
<u>Exhibit F</u>	Prohibited Uses
<u>Exhibit G</u>	Hydro Operating Zone(s)
<u>Exhibit H</u>	Express Third Party Uses and Third Party Use Agreements
<u>Exhibit I</u>	Expressly Permitted Uses

**20.17 Counterparts.** This Easement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event of a discrepancy between counterparts, the recorded Easement shall be controlling.

[Signature page follows]

IN WITNESS WHEREOF, Grantor has granted to Grantee, and Grantee has accepted, this Easement, and the parties mutually agree to the terms and covenants set forth above, as of the Effective Date.

GRANTOR:

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

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

GRANTEE:

SHASTA LAND TRUST,  
a California non-profit public benefit  
corporation

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

Its: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT A**

**Legal Description of Property**

[Follows this page]

**EXHIBIT B**

**Description of Hydro Project Activities  
and  
Hydroelectric Facilities and Associated Water Delivery Facilities**

As used in this Easement, "**Hydro Project Activities**" are those existing and future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities (as defined below) now or hereafter located on, above, or under the Property, associated with the operation of the Pit 1 Federal Energy Regulatory Commission (FERC) Project, Project No. 2687, which provides water storage and delivery for Hydroelectric Facilities and shall include any future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities now or hereafter located on, above, or under the Property, associated with compliance with any future FERC License, FERC License renewal or other regulatory requirements.

As used in this Easement, "**Hydroelectric Facilities and Associated Water Delivery Facilities**" are those existing and future facilities, structures, buildings, and improvements now or hereafter located on, above, or under the Property, and associated with the operation of Pit 1 Federal Energy Regulatory Commission (FERC), Project No. 2687. including, but not limited to, the following existing and future improvements: powerhouse, water lines, electric transmission lines, and electric distribution lines and associated infrastructure facilities; facilities necessary for the operation of Powerhouses; improvements for existing and future water delivery and other requirements of power generation, transmission, distribution, and storage, for nonconsumptive and consumptive water use; bridges; electrical transmission lines, including distribution lines.

**EXHIBIT C****Hydro Reserved Rights**

Grantor's reserved rights on the Property include the following, which are expressly excluded from the transfer and conveyance of the easement granted in this Easement and reserved to Grantor:

Subject to the provisions of Section 7, the right to conduct Hydro Project Activities on the Property, including construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing and future Hydroelectric Facilities and Associated Water Delivery Facilities, including project replacements and improvements required for existing and future water delivery and other requirements for power generation, transmission, distribution, and storage, for nonconsumptive and consumptive water, and for communications in connection with the foregoing and for compliance with any future FERC License, FERC License renewal or other regulatory requirements. In furtherance of and without in any way limiting the generality of the foregoing, the following rights are expressly reserved:

(1) The right to conduct any and all uses and activities now or at any time in the future deemed necessary or appropriate by Grantor in Grantor's sole discretion exercised in good faith in connection with the generation of hydroelectric energy, including, but not limited to the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing Hydroelectric Facilities and Associated Water Delivery Facilities, and the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of new Hydroelectric Facilities and Associated Water Delivery Facilities; and

(2) The right to use, maintain, establish, construct, alter, expand and improve water sources, courses, and bodies within the Property, and to take, divert, store, convey and appropriate water; and

(3) The right to increase or otherwise modify water diversion, storage and transmission capacities of Hydroelectric Facilities and Associated Water Delivery Facilities; and

(4) The right to exercise: all riparian water rights inherent in and part and parcel of the Property; all appropriative surface water rights (including, but not limited to, any appropriative surface water rights having a point of diversion, place of storage, or place of use on the Property); all prescriptive surface water rights; and all other right, title and interest of any nature whatsoever in and to the surface waters which are now or hereafter located or flowing on, under or abutting the Property; and

(5) The right to decommission all or any portion of existing and future Hydroelectric Facilities and Water Delivery Facilities in accordance with the applicable license issued by the FERC, or as otherwise allowed by Applicable Law; and

(6) The right to enlarge, improve, reconstruct, relocate and replace said Grantor's existing facilities and additional facilities with any other number, size, or type of transformers, poles, towers, or structures, or underground wires, cables, pipelines and conduits, or other devices and equipment either in the original location or at any location or locations within the Property; and

(7) The right to construct, operate, use, repair, alter, maintain, remove, replace and expand Grantor's existing and future facilities for transformation, transmission and distribution of electric energy and for communication purposes and also the rights to reconstruct, replace, remove, maintain and use the same as Grantor shall at any time and from time to time deem necessary in Grantor's sole discretion exercised in good faith, together with the rights to excavate for, construct, install, repair, reconstruct, replace, remove, maintain and use, at any time and from time to time, additional facilities for the transformation, transmission and distribution of electric energy and for communication purposes, consisting of such devices and equipment with suitable concrete pads and adequate protection therefore necessary for transforming electric energy, one or more lines of underground wires and cables (enclosed at Grantor's option within conduits), and one or more lines of towers, poles and/or other structures, wires and cables, including both underground and overhead ground wires, and all necessary and proper foundations, footings, cross arms and other appliances and fixtures for use in connection with said towers, poles and/or other structures, wires and cables.

**EXHIBIT D****Beneficial Public Values**

The Purpose of the Conservation Easement is to protect the Beneficial Public Values of the Property, as summarized below and described in more detail in the Baseline Documentation Report:

- (a) Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term "habitat" includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term "native" refers to plants and animals that occur naturally on the Property and are defined as "native" by the California Department of Fish & Wildlife and its successors.
- (b) Forest resources on the Property. Forest resources consist of mixed conifer and riparian vegetation that provides protection for wildlife and fisheries.
- (c) The scenic viewshed of the Property in keeping with the surrounding environment, providing a contiguous forested landscape.
- (d) Outdoor recreation in the form of passive recreational pursuits such as hiking, fishing, sightseeing, rafting, boating, swimming, and picnicking.
- (e) Historical and cultural values, to the extent they are protected by state and federal law.
- (f) Agriculture in the form of grazing.

**EXHIBIT E****Grantee Insurance Requirements**

Grantee shall procure, carry and maintain the following insurance coverage:

**A. Workers' Compensation and Employers' Liability**

1. Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal.
2. Employers' Liability insurance shall not be less than One Hundred Thousand Dollars (\$100,000) for injury or death each accident.

**B. Commercial General Liability**

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
2. The limit shall not be less than One Million Dollars (\$1,000,000) each occurrence/ Two Million Dollars (\$2,000,000) aggregate for bodily injury, property damage and personal injury.
3. Coverage shall: a) By "Additional Insured" endorsement add as insureds Grantor, its directors, officers, agents and employees with respect to liability arising out of work performed by or for Grantee; b) Be endorsed to specify that Grantee's insurance is primary .

**C. Business Auto**

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage.

**D. Additional Insurance Provisions**

1. Upon change in carrier or coverage, or otherwise upon Grantor's request, Grantee shall furnish Grantor with certificates of insurance and endorsements of all required insurance for Grantee.
2. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to Grantor.

3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company  
Insurance Department - B24H  
Post Office Box 770000  
San Francisco, CA 94177

A copy of all such insurance documents shall be sent to Grantor's Land Agent as specified under Notices in the body of this Easement.

4. Upon request, not to exceed once annually, Grantee shall furnish Grantor complete copies of policies.
5. Upon request, not to exceed once annually, Grantee shall furnish Grantor the same evidence of insurance for Grantee's agents or contractors as Grantor requires of Grantee.

**EXHIBIT F****Prohibited Uses**

As provided in Section 6 of this Easement, Grantor will not engage in, or permit others to engage in, the following Prohibited Uses:

**1. Number of Fee Owners; Subdivision.**

(a) Limit on Number of Fee Owners. Except for Specified Required Actions, notwithstanding the fact that the Property, at any time, might be comprised of more than three (3) separate legal parcels, fee title to the Property shall be held by no more than three (3) separate owners at any given time, provided, however, that the foregoing shall not prohibit undivided ownership of the Property by multiple owners (e.g. tenants in common), subject to the restrictions on the rights of undivided owners provided below, and the terms and conditions of this Easement shall perpetually apply to the Property as a whole. The existence of any separate legal parcels shall not be interpreted to permit any use or activity on an individual legal parcel that would not have been permitted on said parcel under the terms and conditions of this Easement as applied to the Property as a whole. This section only applies to conveyances of fee ownership and not to conveyances of any property interests other than fee ownership (e.g. leasehold interests). In respect to ownership of the Property or permitted separate legal parcels, as the case may be, ownership may be (among others) in the form of a partnership, limited partnership, limited liability company, corporation or other legal entity or as undivided interests such as tenants in common, whether by choice or by operation of any Applicable Laws, but no owner of an undivided interest shall thereby have (i) the right of exclusive occupancy or exclusive use of any separate portion of the Property (or permitted separate legal parcel), or (ii) any right to have the Property (or permitted separate legal parcel), partitioned in kind, whether pursuant to California Code of Civil Procedure §872.010 et seq. ("CCP") or any successor statute or otherwise. In the event that a partition action is brought and a court determines that the remedy of partition must be granted, Grantor, on behalf of itself and its successors and assigns hereby irrevocably agrees the remedy shall not be a physical subdivision of the Property (or permitted separate legal parcel), but instead may be a partition by appraisal pursuant to CCP §873.910 or any successor statute or a judicially supervised sale of Grantor's entire estate in the Property (or permitted separate legal parcel) pursuant to CCP §873.510 or any successor statute, subject, however, to this Easement, followed by a division of sales proceeds among the parties entitled thereto. Grantor recognizes that Grantee will incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to a portion of the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title to less than all of the Property in accordance with this subsection (a), Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

(b) Limit on Subdivision. Except for Specified Required Actions, Grantor shall not subdivide the Property with the result of frustrating the ownership restrictions set forth in subsection (a) above. For example, the following actions would not frustrate the ownership restrictions in subsection (a) above: (i) merger and reduction of the number of separate legal parcels comprising the Property; or (ii) reconfiguring by lot line adjustment the existing internal boundaries of legal parcels within the outer boundaries of the Property; or (iii) clarifying boundary lines with adjacent landowners; or (iv) subdivisions to facilitate Hydro Project Activities. Grantor shall (i) as part of the Annual Work Plan review in accordance with Section 7, or at least ninety (90) days prior to any Grantor subdivision activity (whether or not prohibited hereunder), furnish Grantee with the subdivision application or filings; and (ii) provide to Grantee reasonably sufficient information to identify the boundaries of each legal parcel. This information will become part of an update to the Baseline Documentation Report. At the election of either party, the parties shall execute and record an amendment of this Easement to reflect any change to the legal description of the Property set forth in Exhibit A or any other changes and allocations resulting from permitted subdivision that are not established to the reasonable satisfaction of the parties by recordation in the Public Records of the plan of subdivision approved under Applicable Law.

2. Development Rights. Except for Specified Required Actions provided in Section 7, the development rights associated with all or any portion of the Property may not be transferred to, or used or exercised in connection with, any property other than the Property, such rights of transfer, use and exercise being hereby terminated and extinguished in perpetuity. The phrase "development rights" means any and all rights, however designated, now or hereafter associated with the Property or any portion thereof that may be used pursuant to applicable zoning laws, land use laws or other governmental laws or regulations, to compute permitted size, height, bulk, or number of structures, development density, lot yield, or any similar development variable on or pertaining to the Property or any other property.

3. Mining and Drilling. There shall be no mining, drilling, removing, fracking, or exploring for or extracting of minerals, oil, gas, coal, or other hydrocarbons, soils, sands, gravel, loam, rocks or any other material on, under, or at the Property. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Specified Required Actions provided in Section 7;
- (b) Drilling, removal and extraction of soils, sands, gravel, loam, rocks or any other material on, under, or at the Property in connection with studies and testing to the extent related to Grantor's exercise of the Hydro Reserved Rights;
- (c) Testing, drilling and operating groundwater wells, and construction or placement of any structures or improvements within the Hydro Operating Zone to the extent related to Grantor's exercise of the Hydro Reserved Rights; and
- (d) The use of soil, sand, gravel and other similar material located on the Property as appropriate for road maintenance, erosion control and in connection

with a Required Action subject to the following limitations: (i) such disturbance shall be kept to the minimum necessary to exercise such rights, (ii) any such soils, sands, and other materials shall not be removed from the Property, and (iii) all such utilization activities shall be conducted in a manner that minimizes to the greatest extent practicable impacts to the Beneficial Public Values.

4. Construction and Placement of Structures and Improvements. There shall be no construction or placement of any structures or improvements on the Property, including (but not limited to) residential, industrial, office, or other buildings, underground or aboveground tanks. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Permitted Uses under Exhibit I;
- (c) Construction or placement of any structures or improvements within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights; and
- (d) Structures and improvements made in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values (including, for example, garbage enclosures, benches, and interpretive kiosks).

5. Vehicles. Except for Required Actions provided in Section 7, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no use of any motorized vehicles off of existing roadways on the Property except vehicles used as necessary to carry out prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values. Motorized off-road recreational use shall not constitute an activity "related to the protection or preservation of the Beneficial Public Values" as provided in the preceding sentence.

6. Dumping or Salvage. Except for Required Actions provided in Section 7, there shall be no dumping, storage or other disposal on the Property of soil, trash or garbage except for (a) refuse generated on the Property which may be disposed of on the Property on a temporary basis prior to its removal from the Property in areas where the Beneficial Public Values of the Property are not significantly impaired, or (b) compostable refuse generated on the Property which may be disposed of on the Property in a responsible manner which does not significantly impair the Beneficial Public Values of the Property. Except for Required Actions provided in Section 7, there shall be no dumping, storage (other than on a temporary basis) or other disposal of ashes, sludge, Hazardous Substances, or other unsightly or dangerous materials outside of the Hydro Operating Zone. Except for Required Actions provided in Section 7, there shall be no storage or disassembly of inoperable automobiles, trucks, or other

vehicles or equipment for purposes of sale, or rental of space for that purpose outside of the Hydro Operating Zone.

7. Non-Native Animal Species. Except for Required Actions provided in Section 7, there shall be no release anywhere on the Property of non-native animal species other than livestock without Grantee's prior written approval in accordance with Section 7, as required.

8. Vegetation. Except for Required Actions provided in Section 7, there shall be no removal, cutting or destruction on the Property of native vegetation except (a) in an emergency and/or for purposes of disease or insect control or (b) to prevent property damage, personal injury, or flooding or (c) as permitted in Exhibit I, Sections 4 and 9, or (d) with Grantee's prior written approval in accordance with Section 7, as required.

9. Roads and Trails. Except for Required Actions provided in Section 7 or as required to implement a Required Action, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no construction of any new roads or trails on the Property; provided, however, the construction of new roads and trails (or the relocation of existing road and trails) on the Property to protect, preserve or enhance the Beneficial Public Values shall be permitted with Grantee's prior written approval in accordance with Section 7, as required. As used herein, the term "construction" shall not include the creation of roads or trails through repeated use, although such activities shall be governed by this Easement.

10. Commercial Uses. There shall be no office, industrial, or other commercial use on the Property that is likely to significantly impair Beneficial Public Values. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Uses permitted by Third Party Use Agreements; and
- (c) Office, industrial, or other commercial uses within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights.

11. Alteration of Land or Excavation. Except for Required Actions provided in Section 7 or as otherwise explicitly permitted by the terms of this Easement, there shall be no filling, excavating, grading, draining or dredging outside of the Hydro Operating Zone, nor any change in the general topography of the Property; provided, however, such activities shall be permitted outside of the Hydro Operating Zone in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values.

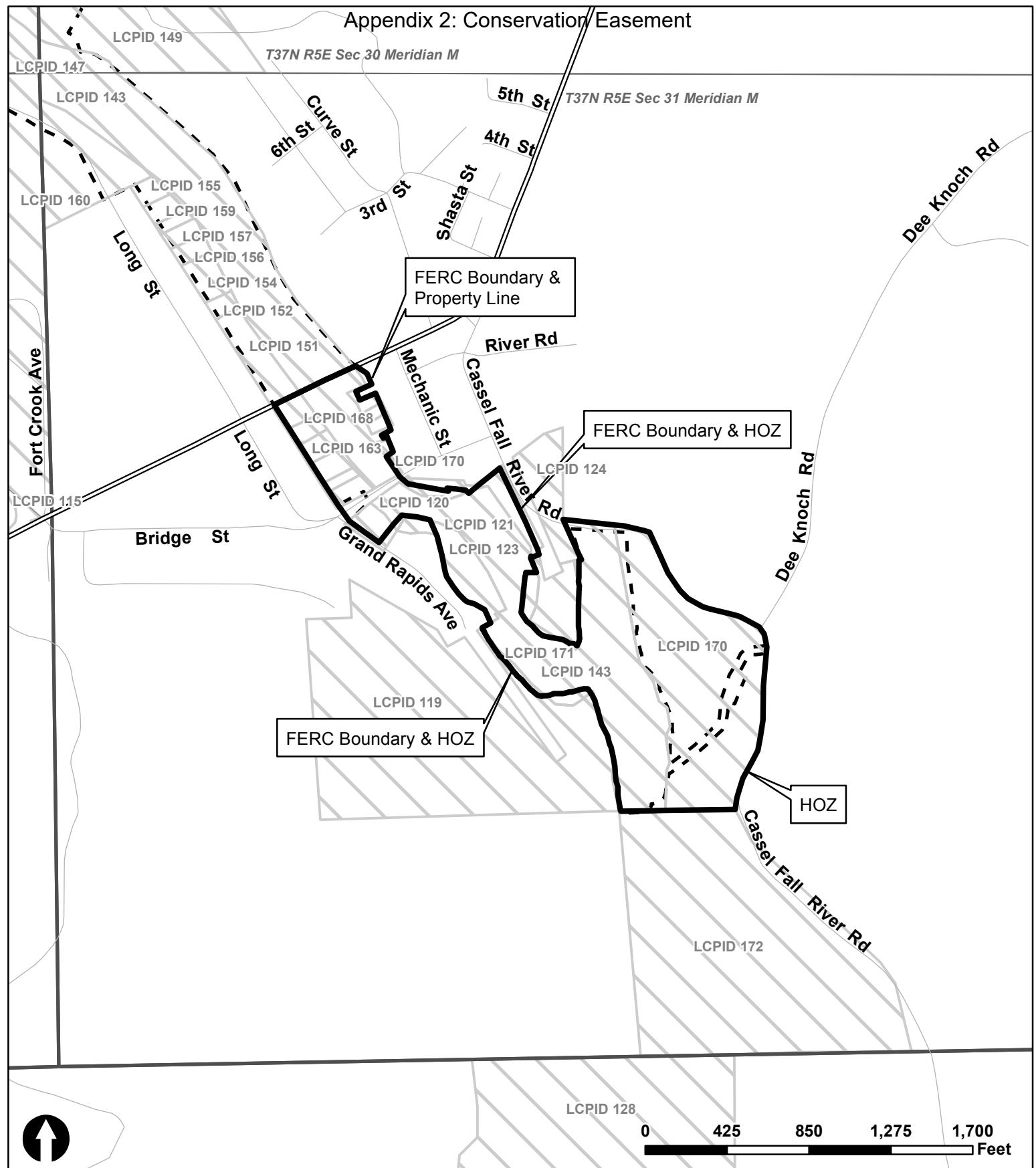
12. Billboards. Except for Required Actions provided in Section 7 or permitted uses under Exhibit I or Grantee's signs permitted under Section 5.3, there shall be no placement of billboards or advertising facilities. The use of Grantor's logo and/or trade

style on a sign will not in and of itself constitute a billboard or advertising facility under this provision.

EXHIBIT G  
Hydro Operating Zone

[Follows this page]

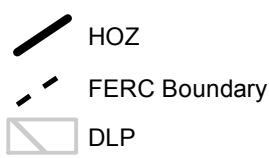
## Appendix 2: Conservation Easement



## Exhibit G Fall River Mills

Hydro Operating Zone (HOZ)

Fall River Mills (Retained) Updated Final LCP 82  
Sheet 1 of 1  
Revised 7/12/2016



**EXHIBIT H****Express Third Party Uses and Third Party Use Agreements****1. Express Third Party Uses**

The Express Third Party Uses on the Property are all uses permitted by and pursuant to the Third Party Use Agreements.

**2. Third Party Use Agreements**

Third Party Use Agreements on the Property are those agreements and rights disclosed by the following:

- A. License Agreement for Grazing Purposes dated January 1, 2018, between Pacific Gas and Electric Company and Don and Lani Martin.
- B.
  1. Letter agreement dated April 9, 2002, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  2. Letter agreement dated July 31, 2003, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  3. Letter agreement dated March 16, 2004, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  4. Letter agreement dated February 11, 2005, between Pacific Gas and Electric Company John Eilts and Linda Bowers.
  5. Letter agreement dated April 25, 2006, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  6. First Amendment to License Agreement, dated April 1, 2007, between Pacific Gas and Electric Company and Linda Bowers.
  7. Second Amendment to License Agreement, dated June 1, 2010, between Pacific Gas and Electric Company and Linda Bowers.
  8. Third Amendment to Agreement, dated May 1, 2014, between Pacific Gas and Electric Company and Linda Bowers.
  9. Letter agreement dated February 14, 2020, between Pacific Gas and

Electric Company and Linda Bowers.

10. Letter agreement dated December 1, 2020, between Pacific Gas and Electric Company and Linda Bowers.

11. Fourth Amendment to License Agreement for Grazing Purposes, dated July 11, 2022, between Pacific Gas and Electric Company and Linda Bowers.

C. AN EASEMENT OVER SAID LAND FOR A RIGHT OF WAY ALONG THE MILL RACE AND INCIDENTAL PURPOSES, AS RESERVED BY I.H. WINTER, IN DEED RECORDED JANUARY 03, 1884, IN BOOK 12 OF DEEDS AT PAGE 165 SHASTA COUNTY RECORDS

AFFECTS: APN: 032-190-044

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

D. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY I.H. WINTER AND DE WINTER, IN INSTRUMENT RECORDED DECEMBER 03, 1896, IN BOOK 44 OF DEEDS, PAGE 644.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 361.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

F. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY DE WINTER AND I.H. WINTER, IN INSTRUMENT RECORDED JANUARY 27, 1888, IN BOOK 20 OF DEEDS, PAGE 267.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED

NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 316.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF

SAID EASEMENT.

G. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY THE BANK OF SHASTA COUNTY AND DE WINTER, IN INSTRUMENT RECORDED AUGUST 29, 1900, IN BOOK 58 OF DEEDS, PAGE 197.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED

NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 361.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

H. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO DIG, EXCAVATE, CONSTRUCT, REPAIR, MAINTAIN AND USE A PIPELINE FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO CHARLES L. STRAUB AND DELILA STRAUB, HIS WIFE, IN DEED RECORDED FEBRUARY 13, 1923, IN BOOK 153 OF DEEDS AT PAGE 474 SHASTA COUNTY RECORDS.

AFFECTS: PGE# 2137-05-0162/APN: 018-540-12 PORTION

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

I. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO USE FOR POWER AND ALL OTHER PURPOSES EXCEPT IRRIGATION AND INCIDENTAL PURPOSES, AS RESERVED BY THE RED RIVER LUMBER COMPANY, A CORPORATION, IN DEED RECORDED MARCH 03, 1923, IN BOOK 153 OF DEEDS AT PAGE 499 SHASTA COUNTY RECORDS.

PGE# 2437-01-0084

AFFECTS: APN: 18-690-04, 18-700-09, 23-340-10, 23-360-14

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

J. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED RECORDED FEBRUARY 09, 1928, IN BOOK 01 OF RIGHTS OF

WAY PAGE 257 SHASTA COUNTY RECORDS.

PGE# 2137-05-0140

AFFECTS: APN: 18-540-12 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

K. AN EASEMENT OVER SAID LAND FOR STATE HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN DEED RECORDED OCTOBER 24, 1931, IN BOOK 68, PAGE 245 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0043

AFFECTS: APN: 18-540-12 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

L. AN EASEMENT OVER SAID LAND FOR HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN INSTRUMENT RECORDED JULY 25, 1934, IN BOOK 64, PAGE 175, OFFICIAL RECORDS.

AFFECTS PARCELS 1, 3, 8 AND 9

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

M. ANY CLAIM, RIGHT OR INTEREST OF THE STATE OF CALIFORNIA OR THEIR SUCCESSORS IN INTEREST BY REASON OF THE INSTRUMENT RECORDED JULY 25, 1934 IN BOOK 64, PAGE 175, SHASTA COUNTY RECORDS, BEING INTERPRETED AS A CONVEYANCE OF FEE INTEREST RATHER THAN AN EASEMENT.

AFFECTS PARCELS 1, 3, 8 AND 9

N. AN EASEMENT OVER SAID LAND FOR THE CONSTRUCTION, MAINTENANCE AND USE OF A PUBLIC HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED RECORDED DECEMBER 08, 1936, IN BOOK 2 OF RIGHTS OF WAY AT PAGE 19 SHASTA COUNTY OFFICIAL RECORDS.

PGE#2137-04-0069

AFFECTS: APN: 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

O. AN EASEMENT OVER SAID LAND FOR COUNTY ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED RECORDED JULY 23, 1941, VOLUME 176 PAGE 478 SHASTA COUNTY OFFICIAL RECORDS.

PGE#2137-04-0071

AFFECTS APN 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

P. EASEMENTS OVER SAID LAND FOR

A.) A RIGHT OF WAY 40 FEET IN WIDTH

B.) THE RIGHT TO SELECT, ENCLOSE BY FENCES AND PERMIT LIVESTOCK TO CROSS OVER A STRIP OF REAL PROPERTY OF THE UNIFORM WIDTH OF 60 FEET

C.) THE RIGHT TO WATER SUCH LIVE STOCK IN THE WATERS OF SUCH INUNDATED PORTION OF THE AFORESAID STRIP OF LAND AND INCIDENTAL PURPOSES, AS RESERVED BY F.M. CALLISON AND WANDA CALLISON, IN INSTRUMENT RECORDED FEBRURY 25, 1947, IN BOOK 217, PAGE 493, OFFICIAL RECORDS.

AFFECTS: SEE DOCUMENT FOR FULL PARTICULARS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

Q. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO ERECT, CONSTRUCT, RECONSTRUCT, REPLACE, REMOVE, MAINTAIN AND USE A LINE OF POLES WITH SUCH WIRES AS FROM TIME TO TIME SUSPEND THEREFROM FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY, AND FOR COMMUNICATION PURPOSES, AND ALL NECESSARY AND PROPER CROSSARMS, GUYS, ANCHORS AND OTHER APPLIANCES AND FIXTURES AND ALL RIGHTS INCIDENTAL THERETO, AS GRANTED TO THE CALIFORNIA OREGON POWER COMPANY, A CALIFORNIA CORPORATION, IN INSTRUMENT RECORDED

FEBRUARY 16, 1953, IN BOOK 394, PAGE 23, OFFICIAL RECORDS.

AFFECTS: SEE DOCUMENT FOR FULL PARTICULARS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

R. AN EASEMENT OVER SAID LAND FOR ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO HARRY A. LOBENSTEEN, IN DEED RECORDED JANUARY 30, 1961, IN BOOK 656 PAGE 286 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0017

AFFECTS: APN 023-210-42

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

S. AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO VERNON B. ROYCE, IN DEED RECORDED FEBRUARY 20, 1968, IN BOOK 944 PAGE 418 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0190

AFFECTS: APN: 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

T. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN DEED RECORDED APRIL 20, 1971, IN BOOK 1064 PAGE 455 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0241

AFFECTS: APN 23-210-16, 20 AND 57 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

U. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN DEED RECORDED NOVEMBER 08, 1976, IN BOOK 1376 PAGE 524

SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0242

AFFECTS: APN 23-210-16 AND 20

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

V. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT, MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO PAULINE L. ROYCE, IN DEED RECORDED DECEMBER 21, 1976, IN BOOK 1386 PAGE 402 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2136-04-0263

AFFECTS: APN 23-360-14

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

W. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT, MAINTAIN, AND USE A DITCH FOR CONVEYING WATER TOGETHER WITH RELATED FACILITIES TO BE USED IN CONNECTION THEREWITH AND TO ENCLOSE WITH A FENCE AND INCIDENTAL PURPOSES, AS GRANTED TO KNOCH AND SONS CATTLE RANCH, INC., A CORPORATION, IN DEED RECORDED MARCH 31, 1977, IN BOOK 1411 PAGE 162 AND RECORDED JANUARY 20, 1978, IN BOOK 1490 PAGE 369 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0362

AFFECTS: APN 18-540-21 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

X. AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, CONSTRUCT, RECONSTRUCT, INSTALL, LAY, USE, OPERATE, INSPECT, REPAIR, MAINTAIN, REPLACE AND REMOVE UNDERGROUND SEWAGE FACILITIES STRUCTURE AND INCIDENTAL PURPOSES, AS GRANTED TO FALL RIVER MILLS COMMUNITY SERVICES DISTRICT, IN DEED RECORDED SEPTEMBER 18, 1981, IN BOOK 1839 PAGE 235 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0135

AFFECTS: APN 18-540-12 AND 32-190-33 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

Y. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT, MAINTAIN AND USE A ROAD STRUCTURE AND INCIDENTAL PURPOSES, AS GRANTED TO FALL RIVER ASSOCIATES, A PARTNERSHIP, IN DEED RECORDED MARCH 17, 1982, IN BOOK 1876 PAGE 677 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0394

AFFECTS: APN 18-550-03

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

Z. AN EASEMENT OVER SAID LAND TO LOCATE, CONSTRUCT, USE, MAINTAIN, IMPROVE, RELOCATE AND REPAIR A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO UNITED STATES OF AMERICA, IN DEED RECORDED DECEMBER 09, 1985, IN BOOK 2197 PAGE 170 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0273

AFFECTS: PORTION APN OF 23-210-61 AND 23-340-27

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

AA. THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND KENNY R. HEFFLEY AND PAMELA M DEWITT, DATED DECEMBER 05, 1986, RECORDED DECEMBER 10, 1986, IN BOOK 2276, PAGE 827, OFFICIAL RECORDS.

AFFECTS APN: 018-540-012

BB. THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "EASEMENT AGREEMENT", BY AND BETWEEN PACIFIC GAS AND ELECTRIC COMPANY , A CALIFORNIA

CORPORATION, AND MALACHA HYDRO LIMITED PARTNERSHIP, DATED DECEMBER 12, 1988, RECORDED DECEMBER 20, 1988, IN BOOK 2450 PAGE 877 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0336

AFFECTS APN: 023-340-027 AND 26

CC. AN EASEMENT OVER SAID LAND FOR ROAD AND UTILITY AND INCIDENTAL PURPOSES, AS GRANTED TO SHASTA COUNTY, IN INSTRUMENT RECORDED OCTOBER 01, 1991, IN BOOK 2768, PAGE 669, OFFICIAL RECORDS.

AFFECTS: APN: 018-540-012

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

DD. AN "IRREVOCABLE OFFER TO DEDICATE" AFFECTING A PORTION OF SAID LAND FOR PUBLIC PURPOSES AND INCIDENTAL PURPOSES, IN FAVOR OF COUNTY OF SHASTA, IN A DOCUMENT RECORDED AUGUST 12, 1998, IN BOOK 3736 PAGE 82, OFFICIAL RECORDS.

PGE# 2137-04-0335

AFFECTS: APN: 23-210-60

EE. TERMS, CONDITIONS AND PROVISIONS OF THE NOTICE OF APPROVAL OF A WAIVER OF PARCEL MAP #19-95 RECORDED JUNE 8, 1998, IN BOOK 3704 PAGE 782, SHASTA COUNTY RECORDS ALSO RECORDED AUGUST 27, 1998, IN BOOK 3742 AT PAGE 778 SHASTA COUNTY RECORDS, ALSO RECORDED JANUARY 28, 1999, IN BOOK 3816 AT PAGE 462 SHASTA COUNTY RECORDS, SAID DOCUMENT WAS RECORDED TO AMEND THE APPROVAL DATE OF THE HEREINABOVE DESCRIBED DOCUMENT.

PGE# 2137-04-0335

AFFECTS APN 23-340-27 AND 61

FF. AN EASEMENT OVER SAID LAND FOR EXISTING FACILITIES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY AND COMMUNICATION ETC AND ROAD EASEMENTS AND INCIDENTAL PURPOSES, AS GRANTED TO PIT RIVER LODGE, LLC AND RESERVED BY PACIFIC GAS AND ELECTRIC COMPANY , A CALIFORNIA

CORPORATION, IN DEED RECORDED FEBRUARY 05, 1999,  
INSTRUMENT NO. 1999-0004972 SHASTA COUNTY RECORDS.

PGE# 2137-04-0306

AFFECTS APN 23-210-61, WITH OTHER PROPERTY

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
EASEMENT

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

GG. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO EXCAVATE FOR  
INSTALL, REPLACE, MAINTAIN AND USE SAID WATER STORAGE TANKS  
AND PIPELINES, ETC AND INCIDENTAL PURPOSES, AS GRANTED TO  
PIT RIVER LODGE LLC , A CALIFORNIA CORPORATION, IN DEED  
RECORDED FEBRUARY 05, 1999, INSTRUMENT NO. 1999-0004973  
SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0290

AFFECTS APN: 23-340-27

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
DOCUMENTS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

HH. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO LANDSCAPE, TO  
EXCAVATE FOR, INSTALL REPLACE, MAINTAIN AND USE SUCH  
SPRINKLER PIPELINES FOR CONVEYING WATER, TOGETHER WITH A  
RIGHT OF WAY AND INCIDENTAL PURPOSES, AS GRANTED TO PIT  
RIVER LODGE, LLC, IN DEED RECORDED FEBRUARY 05, 1999,  
INSTRUMENT NO. 1999-0004974 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0289

AFFECTS APN: 23-340-27

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
DOCUMENT

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF

SAID EASEMENT.

II. THE ENCROACHMENT OF POLE LINES AND OVERHEAD UTILITIES AS DISCLOSED BY SURVEY DATED JUNE 25, 2015, JOB #2263.06 FROM PACE ENGINEERING.

AFFECTS: SECTIONS 18, 19 TOWNSHIP 37 NORTH, RANGE 3 EAST; SECTIONS 24, 25 TOWNSHIP 37 NORTH RANGE 4 EAST

JJ. EASEMENTS OVER SAID LAND FOR ACCESS AND ELECTRICAL PURPOSES AND INCIDENTAL PURPOSES GRANTED TO FALL RIVER RESOURCE CONSERVATION DISTRICT, A SPECIAL DISTRICT OF THE STATE OF CALIFORNIA, IN GRANT DEED AND RESERVATIONS OF RIGHTS AND EASEMENTS AND GRANT OF ACCESS EASEMENT RECORDED DECEMBER 29, 2020, (INSTRUMENT) 2020-0047322, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

LL. A COVENANT TO RESTRICT USE OF PROPERTY, ENVIRONMENTAL RESTRICTION, BY PACIFIC GAS AND ELECTRIC COMPANY RECORDED MAY 31, 2022 AS INSTRUMENT NO. 2022-0017168 OFFICIAL RECORDS, SUBJECT TO THE TERMS AND CONDITIONS AS CONTAINED THEREIN.

MM. EASEMENTS FOR ACCESS AND INCIDENTAL PURPOSES AS GRANTED TO THE PIT RIVER TRIBE IN THAT CERTAIN GRANT DEED AND RESERVATION OF RIGHTS AND EASEMENTS AND GRANT OF ACCESS EASEMENT RECORDED JUNE 24, 2022 AS INSTRUMENT NO. 2022-0019750 OFFICIAL RECORDS, SUBJECT TO THE TERMS AND PROVISIONS AS CONTAINED THEREIN.

**EXHIBIT I****Permitted Uses**

The following are Permitted Uses:

1. The Express Third Party Uses.
2. The uses and activities expressly permitted under Exhibit F.
3. Except as otherwise limited by this Easement, the right to sell, encumber, or otherwise transfer the Property, portions thereof, or interests therein, to anyone Grantor chooses.
4. The right to trim and cut down and clear away any and all trees, brush and vegetation (a) which constitute a hazard to persons or property, and/or (b) for purposes of fire management, disease or insect control or otherwise as necessary or appropriate for prudent land management (i.e., not motivated by commercial benefit), and/or (c) for other vegetation management operations, including but not limited to fuel reduction projects, thinning of tree stands and meadow restoration projects. The foregoing may include pesticide use to control vegetation (brush, grass, weeds, etc.) and/or insects.
5. Consistent with Section 9.2, the right to install, maintain, repair, replace and maintain gates and fences.
6. The right to perform all activities required to comply with any and all Applicable Laws.
7. The right to maintain, repair, restore, replace and reconstruct all structures and improvements now or hereafter located on the Property, provided any replacement structures or improvements shall be located in substantially the same location and within the same footprint as the structure or improvement being replaced, and shall be substantially the same height as the structure or improvement being replaced.
8. The right to install minor, temporary structures necessary or appropriate in connection with the performance of prudent and customary land management activities, Hydro Project Activities, or the protection, preservation, or enhancement of the Beneficial Public Values.
9. (a) The right to undertake commercial and/or non-commercial forest management activities on the Property for any of the following purposes: (1) to promote the health and sustainability of the Property's natural resources; (2) to protect and enhance the Property's riparian resources; (3) to maintain an ecologically appropriate species mix of overstory and understory vegetation; (4) to protect and enhance wildlife habitat for native species historically present on the Property; (5) to protect cultural resources on the Property; (6) to control invasive and non-native vegetation; and (7) to

prevent, mitigate, and/or respond to any natural disaster (such as wildfire, significant insect and disease outbreak, or significant wind damage).

(b) Forest management activities for the purposes outlined in Paragraph (a) may include, but shall not be limited to, timber harvesting; salvage logging; conversion of vegetation types; prescribed fire; pre-commercial and commercial thinning of conifer and hardwood trees; fuels management; tree planting; control of undesirable vegetation and pests; habitat maintenance and enhancement; and road and watercourse crossing construction, maintenance, repair, and enhancement. Grantor shall carry out all such forest management activities in compliance with Applicable Law.

(c) Grantor shall provide to Grantee any existing or future forest management plan as part of the Annual Work Plan review process pursuant to Section 7.3 of this Easement. Grantor and Grantee shall review and discuss such plan (along with any proposals Grantee may have regarding this Permitted Use by Grantor pursuant to Section 7.3.4(b) of this Easement) periodically as part of such Annual Work Plan review process. Said forest management plan shall be updated periodically, as appropriate.

10. The right to construct, reconstruct, replace, remove, maintain and use the types of facilities and improvements described in paragraph (7) of Exhibit C that are unrelated to Hydro Project Activities and do not constitute a Required Action provided that such facilities shall be subject to Grantee's approval in the manner provided for Discretionary Actions.

11. In accordance with Applicable Laws, the right to control or eliminate noxious weeds and non-native plant species on the Property, and the right to control animals that (a) pose or threaten to pose a hazard to persons or property, including Hydroelectric Facilities and Associated Water Delivery Facilities, or (b) adversely impact or threaten to adversely impact (i) one or more of the Beneficial Public Values, (ii) Grantor's Hydro Reserved Rights or Hydro Project Activities, (iii) the Hydroelectric Facilities and Associated Water Delivery Facilities, or (iv) an Express Third Party Use.

12. The right to erect reasonably sized signs (illuminated and non-illuminated) to support and manage safety and permitted uses of the Property, including signs regarding authorized and unauthorized entry and uses or other appropriate markers in prominent locations on the Property, such as boundary fences, trails, and access roads.



**Conservation Easement Funding Agreement**  
**Fall River Mills Planning Unit, PG&E Retained Lands**

This Conservation Easement Funding Agreement ("Agreement") is entered into as of the Effective Date (defined below) by and between the Pacific Forest and Watershed Lands Stewardship Council, a California nonprofit public benefit corporation (the "Stewardship Council") and the Shasta Land Trust a California nonprofit public benefit corporation ("Grantee") (each a "Party" and collectively the "Parties") with reference to the following facts:

A. The Stewardship Council was created to oversee the "Land Conservation Commitment" described in (1) that certain Settlement Agreement among Pacific Gas and Electric Company ("PG&E"), PG&E Corporation, and the California Public Utilities Commission (the "Commission") as modified and approved by the Commission in its Opinion and Order of December 18, 2003 (Decision 03-12-035) (the "Settlement Agreement"); and (2) that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "Stipulation").

B. Pursuant to the Settlement and Stipulation, certain lands owned by PG&E at the time of the Settlement (the "PG&E Watershed Lands") are to be conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The Stewardship Council is charged with developing a Land Conservation Plan for the protection and enhancement of the PG&E Watershed Lands.

C. Grantee is a publicly-supported, tax exempt nonprofit organization, qualified under Section 501 (c)(3) of the Internal Revenue Code ("IRC"), whose primary purpose is to preserve, protect or enhance, land in its natural scenic, historical agricultural, forested or open space condition or use and conserve natural areas for aesthetic, scientific, charitable and educational purposes. Grantee is eligible to hold a conservation easement pursuant to California Civil Code Section 815.3.

D. In connection with the Land Conservation Commitment, Grantee has agreed to accept a perpetual conservation easement created pursuant to California Civil Code Section 815 et seq. (the "Conservation Easement") over a portion of the PG&E Watershed Lands that are being retained by PG&E consisting of approximately 2,446 acres of real property located in the County of Shasta, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Property").

E. Grantee has agreed to accept perpetual conservation easements over PG&E Watershed Lands that are subject to PG&E's Land Conservation Commitment in the Burney Gardens, Cow Creek, Fall River Mills, Hat Creek, Lake Britton, Pit River, and Tunnel Reservoir planning units (the "Watershed Properties").

F. In consideration of Grantee's agreement to accept the Conservation Easement and assume the duties and obligations of the easement holder, the Stewardship Council has agreed to provide funding to Grantee in the amounts and subject to the terms and conditions described below.

**NOW, THEREFORE**, the Stewardship Council and Grantee agree as follows:



1. **Effective Date.** This Agreement shall become effective upon the recording of the Conservation Easement in favor of Grantee in the Official Records of Shasta County (the "**Effective Date**"). It is understood and agreed that if for any reason whatsoever the recording of the Conservation Easement does not occur on or before December 31, 2023, this Agreement shall be of no further force or effect and the Parties shall thereupon be released from any obligations under this Agreement.

2. **Grant Amount and Payment Terms.** Effective upon the Effective Date, the Stewardship Council grants **Two Hundred Fifty-Nine Thousand Three Hundred Dollars (\$259,300)** (the "**Grant Funds**") to Grantee. The Grant Funds shall be payable to Grantee within thirty (30) days of the Effective Date. Grantee will use the Grant Funds for the purposes described in this Agreement and for no other purpose without the prior written consent of the Stewardship Council. The Stewardship Council reserves the right to require the total or partial return of Grant Funds in the event Grantee fails to comply with the terms and conditions of this Agreement.

3. **Grant Restrictions.** The use of the Grant Funds shall be restricted as follows:

a. No less than One Hundred Twenty-Four Thousand Six Hundred Fifty Dollars (\$124,650) of the Grant Funds shall be deposited into a non-wasting endowment restricted solely for the purpose of funding Grantee's costs for the stewardship and monitoring of conservation easements on the Watershed Properties (the "**Monitoring and Stewardship Endowment Funds**"). The types of allowable expenditures of these funds is described in Section 5 below.

b. Ten Thousand Dollars (\$10,000) of the Grant Funds shall be restricted to the legal defense and enforcement of conservation easements held by Grantee, including, but not limited to, the conservation easements established on the Watershed Properties (the "**Defense and Enforcement Funds**"). The types of allowable expenditures of these funds is described in Section 6 below.

c. The remainder of the Grant Funds shall be restricted for the purpose of funding Grantee's costs for the stewardship and monitoring of any conservation easements held by Grantee, including but not limited to the conservation easements on the Watershed Properties (the "**General Monitoring and Stewardship Funds**"). Grantee may use the General Monitoring and Stewardship Funds to monitor any of its conservation easements as long as Grantee meets its obligations as described in Section 5 below.

4. **Grant Deposit Requirements.**

a. Within thirty (30) days of receipt of funds, Grantee will provide the Stewardship Council with evidence of deposit of the Monitoring and Stewardship Endowment Funds into an account which shall be restricted solely for the purpose of funding Grantee's costs for the stewardship and monitoring of conservation easements on the Watershed Properties and shall be treated as a non-wasting endowment.

b. Within thirty (30) days of receipt of funds, Grantee will provide the Stewardship Council with evidence of deposit of the General Monitoring and Stewardship Funds and the Defense and Enforcement Funds into an account which



shall be restricted to the stewardship, monitoring, and legal defense or enforcement of the conservation easements held by the Grantee, including but not limited to the Conservation Easement on the Property. Notwithstanding the right of Grantee to deposit the Monitoring and Stewardship Funds and the Defense and Enforcement Funds into a single account, the use of each type of funds is restricted as provided in Section 3 above.

c. The requirement to provide evidence of deposit will be satisfied when Grantee submits to the Stewardship Council the form attached as **Exhibit B**.

5. Conservation Easement Monitoring. From and after the Effective Date, Grantee agrees to conduct regular monitoring of the Property to ensure compliance with the terms of the Conservation Easement. Grantee shall conduct on-site monitoring of the Property not less than annually to assess compliance with the terms and conditions of the Conservation Easement and note any material changes to the Property compared to the baseline documentation report and prior monitoring reports. Upon written request, the Stewardship Council or its designee shall be permitted to accompany the Grantee on its monitoring visits and to receive a copy of any monitoring report prepared by Grantee. Permissible uses of General Monitoring and Stewardship Funds and Monitoring and Stewardship Endowment Funds shall include, but not be limited to:

- a. Regular on-site inspection and monitoring to ensure that the terms of Conservation Easement are being met;
- b. Recordkeeping and preparation of reports, notices of violation, any written consent to be submitted to the fee title owner of the property which is subject to the easement, and other documentation related to the Conservation Easement and the Property;
- c. Payments for staff, consultants and attorney time necessary to carry out Grantee's stewardship responsibilities with regard to its conservation easements;
- d. Communications with the fee title owner of the property which is subject to the easement regarding the provisions of the Conservation Easement and planned or completed activities on the lands to be performed or allowed by the fee title owner or a licensee/lessee;
- e. Responding to any inquiries or concerns raised by entities that have leases or licenses on the Property or other stakeholders who have an interest in ensuring the beneficial public values are protected.

6. Defense and Enforcement Funds. Grantee shall be permitted to use the Defense and Enforcement Funds for the following purposes:

- a. To make direct expenditures of attorneys' fees, costs and disbursements incurred in connection with proceedings to enforce and/or defend the provisions of the Conservation Easement against legal challenge, including any claims by third parties;



b. To "pool" funds for legal expenses to enforce and/or defend against legal challenge conservation easements held by the Grantee, including without limitation the Conservation Easement on the Property;

c. To pay premiums into a Conservation Defense Insurance Program offered through the Land Trust Alliance, or other nationally-recognized conservation organization of which Grantee is a member for the enforcement and defense of conservation easements held by member organizations, or to cover deductibles related to such insurance.

7. Grant Report. Grantee agrees to submit to the Stewardship Council and/or its designee the following grant Status Reports pursuant to this Agreement. The initial Status Report shall be submitted to the Stewardship Council by the first quarter of the 2025 calendar year and include data up to the date of the initial Status Report. The final Status Report shall be submitted to the Stewardship Council or its designee on or before December 31, 2025. The due dates of the initial and final Status Reports can be changed by the Stewardship Council or its designee with at least 60 days written notice to Grantee. The Stewardship Council or its designee shall notify Grantee in a timely manner of the form and content of each Status Report, which shall include, at a minimum:

a. Copies of annual monitoring reports pertaining to the Conservation Easement for years selected by the Stewardship Council or its designee;

b. A statement as to whether any violations of the Conservation Easement were observed during the reporting period, and the outcome of any action taken to correct such violation;

c. A statement as to whether any amendments to the Conservation Easement were approved during the reporting period, with copies of any such amendments included in the Status Reports;

d. A statement as to whether fee title of the property was conveyed, the date of such conveyance, and the identity of the transferee; and

e. A report providing an accounting of how the Grant Funds have been invested or expended in furtherance of the purposes of this Agreement.

8. Records. Grantee will indicate the Grant Funds separately on its books of account, and maintain such records in accordance with generally accepted accounting principles. Grantee shall additionally maintain written records including the baseline documentation report, the Deed of Conservation Easement, any amendments to the Conservation Easement, other transaction documents, and copies of monitoring reports, notices to the landowner, and other communications pursuant to the Conservation Easement in accordance with the practices generally accepted in the land trust community.

9. Inspection. The Stewardship Council or its designee shall have the right to inspect the books and records of Grantee and evaluate Grantee's use of Grant Funds, so long as (i) such inspection or evaluation occurs during regular business hours; (ii) such inspection or evaluation does not unreasonably interfere with Grantee's regular operations; and (iii) the



Stewardship Council or its designee provides at least three (3) days prior notice of any such inspection or evaluation.

10. Assignment and Transfer of Funds. Grantee shall not assign its interest under the Conservation Easement except in accordance with the provisions of the Conservation Easement relating to permitted assignments. In the event that Grantee assigns its interest under the Conservation Easement to a successor conservation easement holder ("Assignee"), Grantee shall transfer all Grant Funds in its possession to Assignee and require that Assignee assume all of Grantee's obligations under this Agreement.

11. Publicity. The Stewardship Council may include information regarding this Agreement and Grantee in its periodic public reports, press releases, or other public communications.

12. Representations and Warranties. Grantee warrants and represents that it is a tax exempt organization under Section 501(c)(3) of the IRC, and is not a private foundation as defined in section 509(a) of the IRC or is an exempt operating foundation described in Section 4940(d)(2) of the IRC. Grantee further represents and warrants that it shall not use the Grant Funds to attempt to influence legislation or otherwise carry out lobbying activities within the meaning of Sections 501(h), 4911, 4945(d)(1) or 4945(e) of the IRC. No part of the Grant Funds may be used to attempt to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive. No part of the Grant Funds may be used for purposes other than charitable, scientific, literary, or educational purposes within the meaning of IRC Section 501(c)(3).

Grantee does not knowingly employ individuals or contribute funds to organizations found on any terrorist-related list prepared by the U.S. Government, the United Nations, or the European Union, including the Department of Treasury's Office of Foreign Assets Control Specially Designated Nationals List, the Department of Justice's Terrorist Exclusion List, or the list attached to Executive Order 13224. Should any change occur with respect to the preceding sentence, Grantee will notify the Stewardship Council within 7 days of such change.

13. Indemnification. Grantee hereby agrees to indemnify, defend, and hold harmless the Stewardship Council, and the Stewardship Council's past, present and future officers, directors, and employees, from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorney fees and costs, that they may incur or suffer and that result from, or are related to, the receipt and use of the Grant Funds by Grantee.

14. Limit of Stewardship Council Obligations. The Stewardship Council's obligations under this Agreement shall under no circumstances exceed the Grant Funds amount set forth in Section 2 above.

15. Assignment. This Agreement may not be assigned by the Grantee in whole or in part except as provided in Section 10 above. The Stewardship Council may assign its rights and delegate its obligations under this Agreement to a third party at the Stewardship Council's sole discretion. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit and burden of the Parties and their respective heirs, successors and assigns.



16. Amendment; Entire Agreement. This Agreement may not be amended or modified except by written instrument signed by both Parties. This Agreement constitutes the entire understanding of the Parties concerning the subject matter hereof, and supersedes any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained herein.

17. Governing Law. This Agreement shall be governed by the laws of the State of California.

18. Counterparts. This Agreement may be executed in counterparts which together shall constitute a single agreement.

**Pacific Forest and Watershed Lands Stewardship Council,**  
a California Nonprofit Public Benefit Corporation

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

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

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

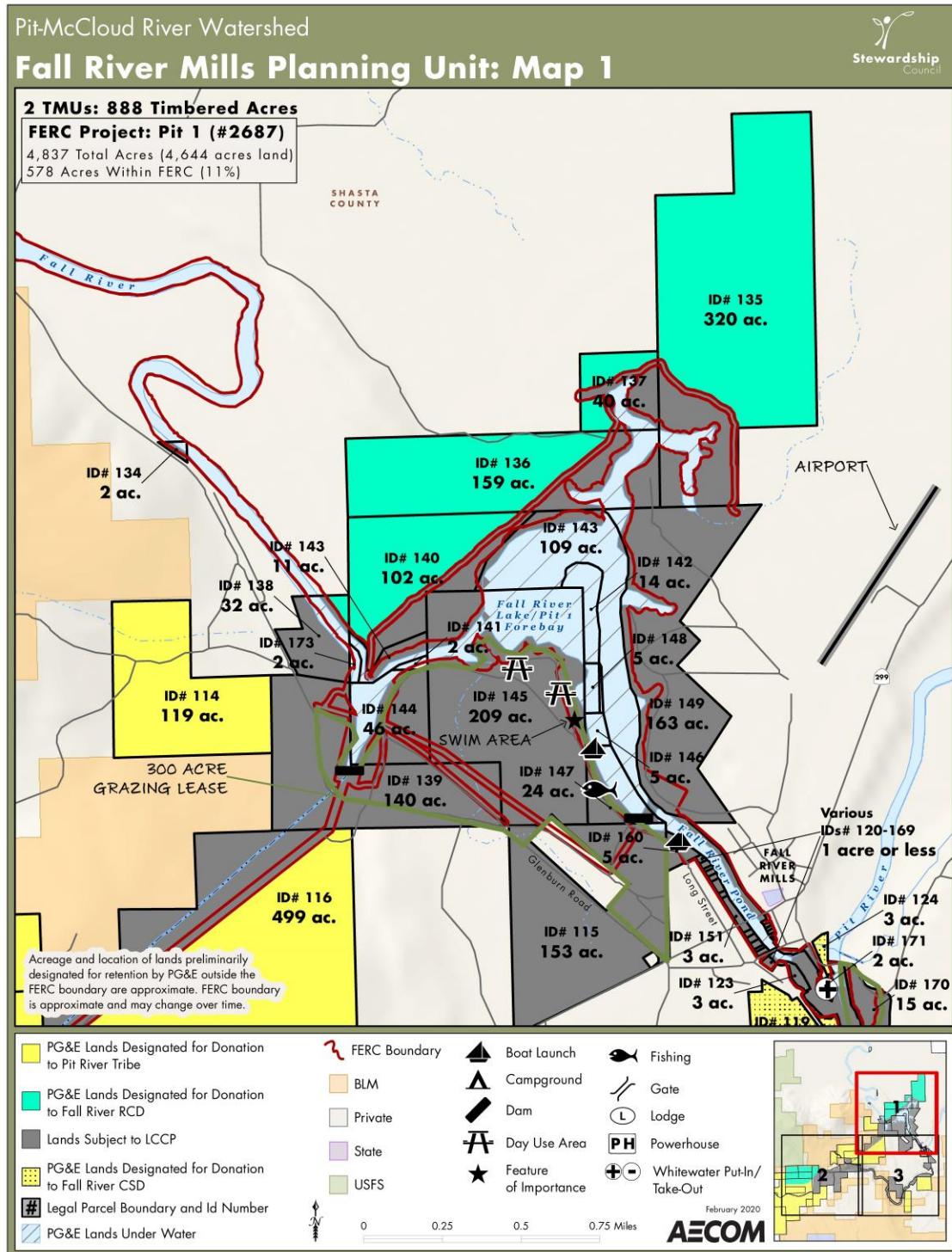
**Shasta Land Trust,**  
a California Nonprofit Public Benefit Corporation

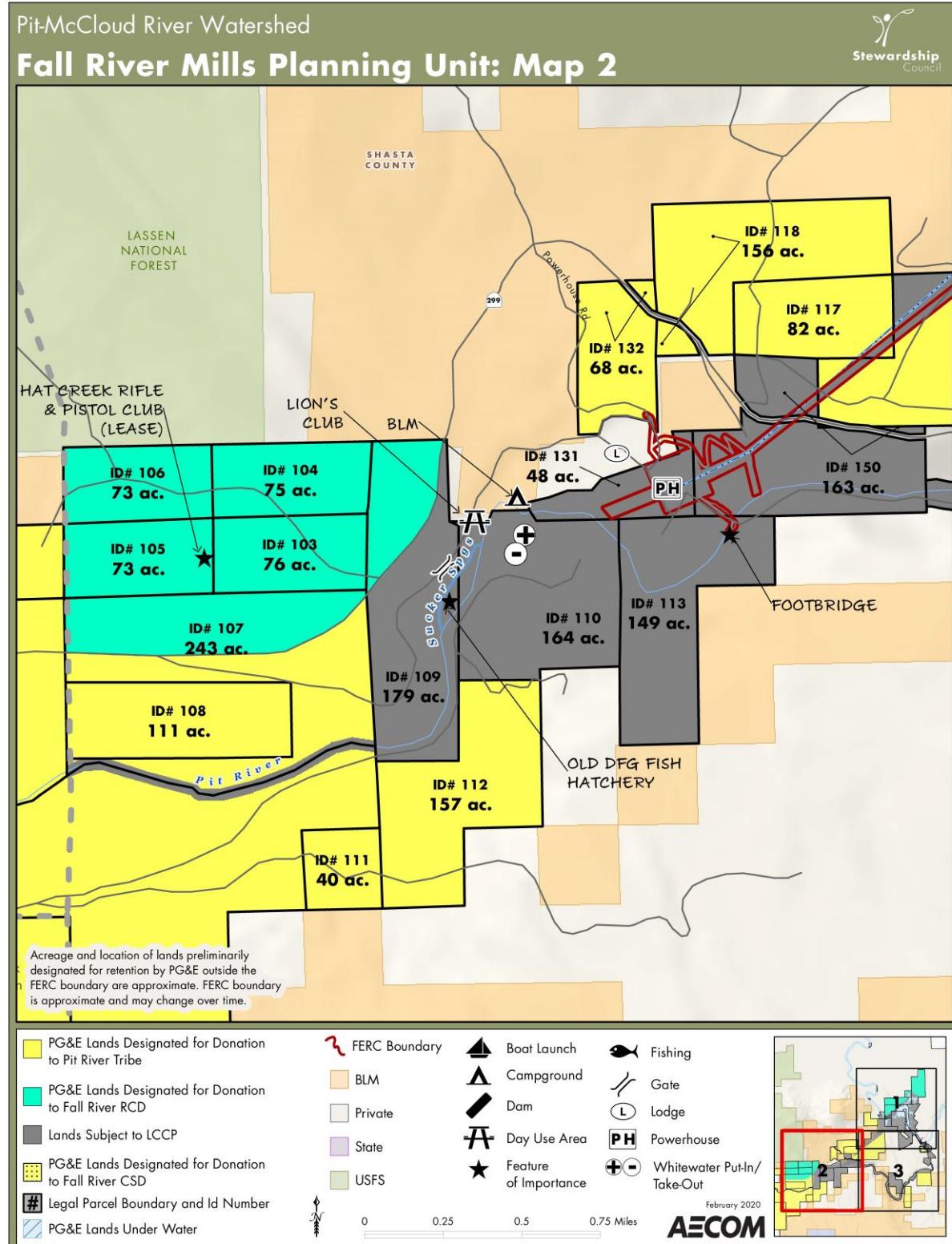
By: \_\_\_\_\_

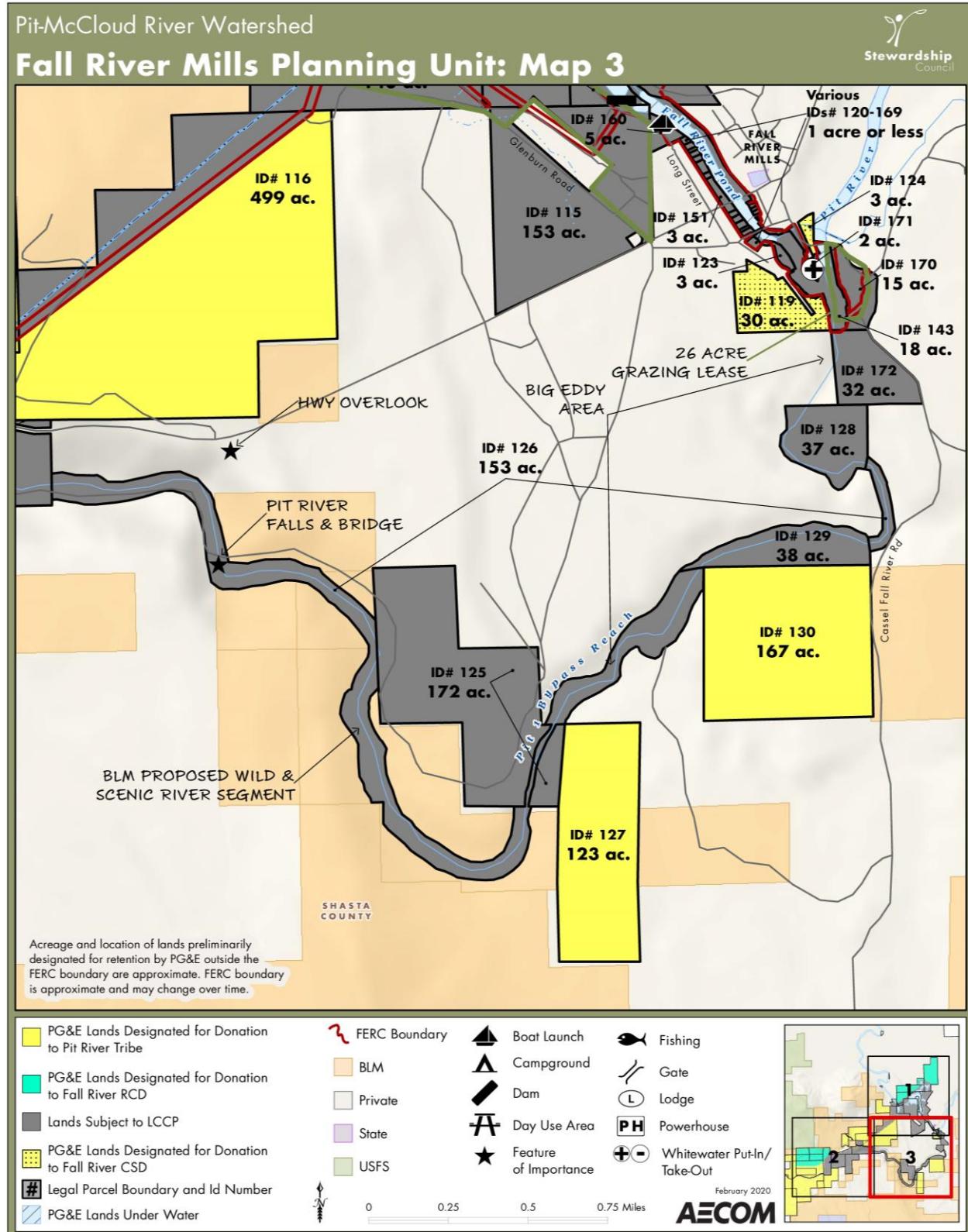
Title: \_\_\_\_\_

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

**Exhibit A**  
**Maps of Fall River Mills Planning Unit**  
**(Retained Lands)**







**EXHIBIT B TO CONSERVATION EASEMENT FUNDING AGREEMENT**
**Evidence of Grant Fund Deposit and Restriction of Use Certification**

<b>Date:</b>	<b>Planning Unit/Property Title:</b> Fall River Mills Planning Unit (Retained)	
<b>Grantee Name:</b> Shasta Land Trust	<b>Grantee Address:</b>	

<b>*Date of Deposit of Grant Funds:</b>		<b>Amount Deposited:</b>
<b>Bank Name:</b>	<b>Account Name:</b>	<b>Account #:</b>
<b>Certification of Deposit of Grant Funds and Restricted Use of Monitoring of Conservation Easement Funds</b> I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted to the permissible uses of General Monitoring and Stewardship Funds as set forth in Section 3c and 5 of the Grant Agreement.		
<b>Name:</b>	<b>Title:</b>	
<b>Signature:</b>	<b>Date:</b>	

<b>*Date of Deposit of Grant Funds:</b>		<b>Amount Deposited:</b>
<b>Bank Name:</b>	<b>Account Name:</b>	<b>Account #:</b>
<b>Certification of Deposit of Monitoring and Stewardship Endowment Funds in Non-Wasting Endowment</b> I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted solely for the purpose of funding Grantee's costs for the stewardship and monitoring of conservation easements on the Watershed Properties and shall be treated as a non-wasting endowment as set forth in Sections 3a and 4a of the Grant Agreement.		
<b>Name:</b>	<b>Title:</b>	
<b>Signature:</b>	<b>Date:</b>	

For third section, see page 2


**EXHIBIT B TO CONSERVATION EASEMENT FUNDING AGREEMENT – Page 2**

<b>*Date of Deposit of Grant Funds:</b>		<b>Amount Deposited:</b>
<b>Bank Name:</b>	<b>Account Name:</b>	<b>Account #:</b>
<b>Certification of Deposit of Grant Funds and Restricted Use of Defense &amp; Enforcement Funds</b>		
I, hereby state that the above referenced information is true and accurate, and understand that the above information, if misrepresented, or incomplete, may be grounds for immediate repayment of grant funds. I also agree that account activity will be restricted to the permissible uses of the Defense and Enforcement Funds as set forth in Sections 3b and 6 of the Grant Agreement.		
<b>Name:</b>	<b>Title:</b>	
<b>Signature:</b>	<b>Date:</b>	

**Return to:**

Stewardship Council  
 8863 Greenback Ln. #326  
 Orangevale, CA 95662  
**Phone:** (916) 297-6660

**\*Please include a copy of the bank statement(s) referencing the above deposit(s).**

**I.02-04-026**

**APPENDIX E**  
**LAND CONSERVATION COMMITMENT**

**STATEMENT OF PURPOSE**

PG&E shall ensure that the Watershed Lands it owns and Carizzo Plains are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values. PG&E will protect these beneficial public values associated with the Watershed Lands and Carizzo Plains from uses that would conflict with their conservation. PG&E recognizes that such lands are important to maintaining the quality of life of local communities and all the people of California in many ways, and it is PG&E's intention to protect and preserve the beneficial public values of these lands under the terms of any agreements concerning their future ownership or management.

PG&E Environmental Enhancement Corporation will develop a plan for protection of these lands for the benefit of the citizens of California. Protecting such lands will be accomplished through either (1) PG&E's donation of conservation easements to one or more public agencies or qualified conservation organizations consistent with these objectives, or (2) PG&E's donation of lands in fee to one or more public entities or qualified conservation organizations, whose ownership would be consistent with these conservation objectives.

**COMMITMENTS**

1. **PG&E Shall Place Permanent Conservation Easements on or Donate Watershed Lands:** The Watershed Lands and Carizzo Plains shall (1) be subject to permanent conservation easements restricting development of the lands so as to protect and preserve their beneficial public values, and/or (2) be donated in fee simple to one or more public entities or qualified non-profit conservation organizations, whose ownership will ensure the protection of these beneficial public values. PG&E will not be expected to make fee simple donations of Watershed Lands that contain PG&E's or a joint licensee's hydroelectric project features. In instances where PG&E has donated land in fee, some may be sold to private entities subject to conservation easements and others, without significant public interest value, may be sold to private entities with few or no restrictions.

The conservation easements shall provide for the preservation of land areas for the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values and, shall prevent any other uses that will significantly impair or interfere with those values. Conservation easements on the Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and

**I.02-04-026**

future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements. In addition, easements will honor existing agreements for economic uses, including consumptive water deliveries. The conservation easements shall be donated to and managed by one or more non-profit conservation trustees, qualified conservation organizations or public agencies with the experience and expertise to fully and strictly implement the conservation easements.

2. Process For Development of the Conservation Easements and Land Donation Plan: PG&E will work with PG&E Environmental Enhancement Corporation and the Commission in the development and implementation of the conservation easements and land donation plan. PG&E Environmental Enhancement Corporation will recommend to PG&E (1) conservation objectives for the properties, including identification of conservation values, (2) criteria for ultimate disposition of the properties, (3) conservation easements guidelines, and (4) land disposition plans.
3. Reporting Responsibilities: PG&E Environmental Enhancement Corporation will prepare a report to the Commission within 18 months of the Effective Date describing the status of the conservation easement and land disposition plan. PG&E Environmental Enhancement Corporation will make the report available to the public upon request. Every two years following the first report, PG&E Environmental Enhancement Corporation will prepare a report to the Commission on the implementation of the conservation easement and land disposition plan.

## **Attachment B**

Deed of Conservation Easement and Agreement

RECORDING REQUESTED BY

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Land Department**  
**Attention: Paul Coviello**  
**1850 Gateway Blvd, Room 7043C**  
**Concord, CA 94520**

WHEN RECORDED MAIL TO

**PACIFIC GAS AND ELECTRIC COMPANY**  
**245 Market Street, N10A, Room 1015**  
**P.O. Box 770000**  
**San Francisco, California 94177**

The undersigned Grantor declares that the documentary transfer tax is \$0- (R&T Code 11911 court-ordered conveyance or decree that is not pursuant to sale)

(Space Above this Line for Recorder's Use)

LD#

018-540-012, 018-540-013, 018-500-019, 018-540-021, 018-540-022, 018-540-023, 018-540-057, 018-550-003, 018-550-004, 018-550-006, 018-690-001, 018-690-004, 018-700-003, 018-700-009, 023-190-054, 023-190-069, 023-190-072, 023-210-009, 023-210-010, 023-210-013, 023-210-016, 023-210-020, 023-210-042, 023-210-044, 023-210-046, 023-210-048, 023-210-057, 023-210-061, 023-340-003, 023-340-005, 023-340-006, 023-340-010, 023-340-027, 023-350-015, 023-350-016, 023-360, 023-360-002, 023-360-003, 023-360-014, 032-190-033, 032-190-042, 032-190-044

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

**DEED OF CONSERVATION EASEMENT AND AGREEMENT  
(FALL RIVER MILLS PLANNING UNIT)**

Between

PACIFIC GAS AND ELECTRIC COMPANY, a California corporation,  
as Grantor

and

SHASTA LAND TRUST, a California non-profit public benefit corporation,  
as Grantee

**Note to the County Recorder:** This is a conservation easement within the meaning given to such term in California Government Code §27255 and is to be included in the index developed and maintained pursuant to such section.

**Table of Contents**

	<b><u>Page</u></b>
1. Grant of Easement .....	3
2. Purpose .....	3
3. Baseline Documentation Report .....	4
4. Commission and FERC .....	4
5. Rights Conveyed to Grantee .....	4
5.1 Identification, Monitoring and Enforcement.....	4
5.2 Access .....	5
5.3 Grantee Signs .....	5
6. Prohibited Uses .....	6
7. Grantor's Reserved Rights .....	6
7.1 Hydro and Other Reserved Rights .....	6
7.2 Definitions .....	6
7.2.1 Anticipated Significant Actions .....	6
7.2.2 Required Actions.....	6
7.2.3 Specified Required Actions .....	7
7.2.4 Discretionary Action .....	7
7.2.5 Hydro Operating Zone.....	7
7.3 Annual Work Plan Notification, Consultation and Consent Requirements .....	7
7.3.1 Delivery and Contents of Annual Work Plan .....	7
7.3.2 Review of Annual Work Plan.....	8
7.3.3 Anticipated Significant Actions within Hydro Operating Zones .....	8

7.3.4	Anticipated Significant Actions Outside Hydro Operating Zones .....	9
7.4	Anticipated Significant Actions Not Identified in Annual Work Plan .....	9
7.5	Emergency Actions .....	10
7.6	Water Rights .....	10
8.	Responsibility for Operations .....	10
8.1	Condition of Property .....	10
8.2	Taxes .....	11
8.3	Permits and Approvals .....	11
8.4	Limitation on Restoration Obligations .....	11
9.	Third Party Use of the Property .....	11
9.1	Express Third Party Uses .....	11
9.1.1	Increases in Intensity or Expansion of Location or Size or Change in Use .....	11
9.1.2	Renewal or Replacement of Third Party Use Agreements .....	12
9.1.3	Consultation on Express Third Party Uses .....	12
9.1.4	Enforcement of Third Party Use Agreements .....	12
9.2	Informal Uses and Public Access .....	12
9.2.1	Rules and Regulations .....	12
9.2.2	Liability Limitation .....	12
9.2.3	Periodic Review of Informal Uses .....	12
9.3	Unauthorized Third-Party Uses .....	13
10.	Enforcement and Remedies .....	13
10.1	Procedures Upon Violation .....	13
10.2	Litigation .....	14
10.3	Emergency Injunctive Relief .....	14

10.4	Remedies Cumulative.....	14
10.5	Costs of Enforcement .....	14
10.6	No Waiver.....	14
11.	Indemnification and Insurance.....	15
11.1	Indemnification by Grantee .....	15
11.2	Indemnification by Grantor.....	15
11.3	Release.....	15
11.4	Insurance .....	15
12.	Grantee Transfer of Easement .....	16
12.1	Voluntary Transfer .....	16
12.2	Involuntary Transfer .....	16
13.	Subsequent Property Transfers by Grantor.....	17
13.1	Rights of Grantor .....	17
13.2	Potential Release of Hydro Reserved Rights.....	17
13.2.1	Conveyance of Entire Property .....	17
13.2.2	Partial Conveyance .....	18
13.2.3	Grantor's Continuing Reserved Rights.....	19
13.2.4	Easement Amendment.....	19
13.2.5	Transfer Restrictions Remain Applicable .....	19
14.	Extinguishment and Condemnation.....	19
14.1	Extinguishment .....	19
14.2	Condemnation .....	19
14.3	Proceeds.....	19
15.	Estoppel Certificates.....	20
16.	Notices .....	20

17.	Amendment .....	22
18.	Hazardous Substances .....	22
18.1	Definitions .....	22
18.2	Allocation of Responsibility for Hazardous Substances .....	23
18.2.1	Generally .....	23
18.2.2	Environmental Reports .....	23
18.2.3	Grantor Responsibility for the Cost of Necessary Remediation .....	23
18.2.4	No Owner or Operator Liability .....	24
18.3	Hazardous Substances Indemnification .....	24
18.3.1	By Grantor .....	24
18.3.2	By Grantee .....	24
19.	Carbon Rights .....	25
19.1	Promotion of Climate Stability .....	25
19.2	Reservation of Carbon Rights .....	25
19.3	Carbon Certification .....	25
20.	General Provisions .....	25
20.1	Governing Laws .....	25
20.2	No Public Dedication .....	25
20.3	Liberal Construction .....	26
20.4	Further Assurances .....	26
20.5	Severability .....	26
20.6	Entire Agreement .....	26
20.7	No Forfeiture .....	26
20.8	Successors .....	26
20.9	Recordation .....	26

<a href="#">20.10</a>	Termination of Rights and Obligations .....	26
<a href="#">20.11</a>	Attorneys' Fees .....	26
<a href="#">20.12</a>	Mortgage Liens Subordinate .....	27
<a href="#">20.13</a>	Pre-Existing Water Rights .....	27
<a href="#">20.14</a>	Table of Contents and Captions .....	27
<a href="#">20.15</a>	Incorporation of Recitals .....	27
<a href="#">20.16</a>	List of Exhibits .....	27
<a href="#">20.17</a>	Counterparts .....	28

**DEED OF CONSERVATION EASEMENT AND AGREEMENT  
(FALL RIVER MILLS PLANNING UNIT)**

THIS DEED OF CONSERVATION EASEMENT AND AGREEMENT (this "Easement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") by and between PACIFIC GAS AND ELECTRIC COMPANY, a California corporation ("Grantor"), and SHASTA LAND TRUST, a California non-profit public benefit corporation ("Grantee"), with reference to the following facts:

**RECITALS**

A. The Property. Grantor is the owner of approximately 2,446 acres of real property located in Shasta County, State of California, as more particularly described in the attached Exhibit A (the "Property").

B. FPA and FERC Jurisdiction. The Property lies within the boundaries of one or more hydroelectric projects licensed to Grantor pursuant to Part I of the Federal Power Act, 16 U.S.C. §§792-823d ("FPA").

1. FPA and FERC Requirements. The FPA requires regulation of the construction, operation, and maintenance of non-federal hydroelectric power projects pursuant to licenses issued by the Federal Power Commission, or its successor, the Federal Energy Regulatory Commission ("FERC"). Each such license requires the licensee to undertake appropriate measures on behalf of both developmental and environmental public interest uses of a waterway, including as relevant fish and wildlife protection and enhancement, irrigation, flood control, water supply, and recreation, together with whatever other beneficial public uses the license identifies as a "Project Purpose." The license requires the licensee to acquire and retain all interests in non-federal lands and other property necessary or appropriate to carry out the Project Purposes.

2. FPA and FERC Non-Project Uses. The FPA provides FERC with authority to regulate the use of a licensed project's lands and waters not only by the licensee but also by any other entity. FERC refers to such third-party use as "non-project use of project lands and waters." Even where the third-party use may be compatible with and even promote a specified Project Purpose, such use is "non-project," because it is not in the license as a direct obligation of the licensee. As a FERC licensee for the Property which is the subject of this Easement, Grantor must (except for very minor matters) apply to FERC for approval to convey to a third party any easement over project lands. FERC approval requires conveyance instruments to contain recorded covenants providing that that the non-project use will not interfere with Project Purposes, and requires its licensees to enforce such covenants and protect the project values.

3. Removal of FERC Jurisdiction. FERC jurisdiction and authority over a licensed hydropower project is removed if and when (1) the project is

decommissioned and the project license is surrendered or otherwise terminated; or (2) FERC determines that the project does not require a license to continue to operate, and the license expires or is otherwise terminated. Neither FERC nor the hydropower project license can bestow, remove, or alter water or other property rights; therefore, the end of FERC jurisdiction over the project has no effect on existing property rights in project lands and waters, including any conservation easements on such lands.

C. Grantor Party to Settlement Agreement. Grantor is a party to that certain Settlement Agreement (the "**Settlement Agreement**") as modified and approved by the Public Utilities Commission of the State of California (the "**Commission**") in its Opinion and Order of December 18, 2003 (Decision 03-12-035).

D. Grantor Party to Stipulation. In furtherance of the Settlement Agreement, and to provide additional detail regarding the implementation of the "Land Conservation Commitment" (defined below), the parties to the Settlement Agreement and other interested parties entered into that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "**Stipulation**").

E. Governing Documents and Beneficial Public Values. The Settlement Agreement and the Stipulation (collectively, the "**Governing Documents**") require Grantor to ensure that approximately 140,000 acres of watershed lands, all owned by Grantor (collectively, the "**Watershed Lands**"), including the Property, are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The obligations of Grantor to convey conservation easements and protect such beneficial public values on the Watershed Lands, as well as certain other obligations related thereto, are set forth in detail in Appendix E of the Settlement Agreement (as further explicated in Section 12 of the Stipulation), and are defined therein as the "**Land Conservation Commitment**."

F. Stewardship Council and Land Conservation Plan. Pursuant to the Governing Documents, the Pacific Forest and Watershed Lands Stewardship Council, a California non-profit public benefit corporation (the "**Stewardship Council**"), was created to oversee and carry out the Land Conservation Commitment. Pursuant to the Governing Documents, the Stewardship Council developed a plan for protection of the Watershed Lands for the benefit of the citizens of California (the "**Land Conservation Plan**" or "**LCP**"). The LCP includes, among other things, objectives to preserve and/or enhance the beneficial public values identified on each parcel of Watershed Lands.

G. California Civil Code §815. The Legislature of the State of California, as set forth in California Civil Code §815 *et seq.*, has found and declared it to be the public policy and in the public interest of this state to encourage the preservation of land in its predominantly natural, scenic, agricultural, historical, forested, or open-space condition, and it is "the public policy and in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations."

**H. Grantee Qualified Nonprofit Organization.** Grantee is a tax-exempt nonprofit organization qualified under §501(c)(3) of the Internal Revenue Code and is eligible to acquire and hold a perpetual conservation easement pursuant to §815.3(a) of the California Civil Code.

**I. Grantor's Continuing Hydro Project Activities.** Grantor has used and continues to use the Property for the purposes related to the generation of electricity from hydropower facilities and related to the delivery, storage, and consumptive and nonconsumptive use of water as described more fully on attached Exhibit B (the "**Hydro Project Activities**"). In furtherance of the Hydro Project Activities, Grantor has improved portions of the Property with water- and power-related facilities, access roads, recreational facilities, buildings and other structures. The Governing Documents provide that "[c]onservation easements on Watershed Lands will include an express reservation of a right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any FERC license, FERC license renewal or other regulatory requirements."

**J. Perpetual Protection of Beneficial Public Values.** Grantee and Grantor intend through this Easement to ensure the perpetual protection of the beneficial public values on the Property as identified in the LCP, on and subject to the terms and conditions of this Easement. Specifically, the parties intend to assure that the beneficial public values identified in the LCP and set forth on Exhibit D (the "**Beneficial Public Values**") will be protected and preserved in perpetuity and that uses of the Property that are inconsistent with protecting and preserving these Beneficial Public Values will be restricted, all as set forth in this Easement; provided, however, that Grantor shall retain all interests not transferred to Grantee by this Easement, including, but not limited to Grantor's Hydro Reserved Rights described in Section 7 below.

## **AGREEMENT**

In consideration of the above recitals and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to California Civil Code §815 et seq., Grantor and Grantee further hereby agree as follows:

**1. Grant of Easement.** Grantor hereby grants to Grantee a perpetual "conservation easement" as defined by §815.1 of the Conservation Easement Act of 1979 (California Civil Code §815 et seq.) in gross, in, on, over and across the Property (the "**Conservation Easement**"), subject to and in accordance with the terms and conditions of this Easement.

**2. Purpose.** It is the purpose of this Easement to protect and preserve in perpetuity the Beneficial Public Values on the Property by restricting any use of the Property that will significantly impair the Beneficial Public Values, all subject to and in accordance with the terms and conditions of this Easement (the "**Purpose**"). As used in this Easement, the terms "impair" and "impairment" mean to diminish in quantity,

quality, value, strength or viability. As used in this Easement, the terms "significant" and "significantly," when used with "impair" and "impairment," respectively, mean a greater than negligible adverse impact, for more than a transient period. The parties agree that Grantor's retention of certain rights specified in this Easement, including the Hydro Reserved Rights, is consistent with the Purpose of this Easement.

3. Baseline Documentation Report. The parties acknowledge that certain existing conditions particularly relevant to the Property are documented in a baseline documentation report (the "**Baseline Documentation Report**"). Grantor and Grantee each have a copy of the signed Baseline Documentation Report, executed by both parties to acknowledge their approval and receipt of the Baseline Documentation Report. The parties agree that the Baseline Documentation Report contains an accurate representation of such existing conditions of the Property as of the Effective Date, and is intended to serve as an objective, though non-exclusive, information baseline for monitoring compliance with the terms of this Easement. The foregoing notwithstanding, if a dispute arises with respect to any of the conditions of the Property, the parties shall not be foreclosed from utilizing any and all other relevant documents, surveys, or other evidence or information to assist in the resolution of the dispute.

4. Commission and FERC. The terms and conditions of this Easement are subject to any conditions imposed by the Commission pursuant to Advice Letter No. \_\_\_\_\_ dated \_\_\_\_\_ and effective \_\_\_\_\_. **[Note: citation to decision/resolution to be inserted]** or by FERC pursuant to any hydroelectric project license for the Property or any applicable orders or regulations that FERC may issue from time to time. Notwithstanding anything to the contrary in this Easement, Grantor, its successors, and assigns have the right to perform any and all acts required by an order of FERC, or its successors, without the prior approval of Grantee or any other person. Grantor expressly reserves the right to comply with all FERC orders and regulations as they may be amended from time to time. In addition, Grantee shall comply with any information requests or reporting obligations required by the Commission or FERC, whether directly to the Commission or FERC, or through Grantor; provided that Grantor shall reimburse the reasonable costs and expenses incurred by Grantee in responding to such requests. Execution of this Easement by Grantor does not imply tacit Commission or FERC approval of a non-project use on the Property nor does it obligate Grantor to seek Commission or FERC approval for non-project uses proposed by Grantee.

5. Rights Conveyed to Grantee. Subject to the terms and conditions of this Easement, Grantor grants and conveys to Grantee the following affirmative rights:

5.1 Identification, Monitoring and Enforcement. The right to identify with Grantor the Beneficial Public Values of the Property, the right to monitor and enforce the protection and preservation of such Beneficial Public Values in accordance with the terms of this Easement, the right to enforce the terms of this Easement, the right to enjoin any activity on the Property or other use of the Property which violates the terms of this Easement, and the right to enforce the restoration of such areas or features of the Property as may hereafter be damaged in violation of this Easement.

**5.2 Access.** The right for Grantee and Grantee's directors, officers, partners, members, managers, employees, contractors, subcontractors, consultants, representatives, agents, permittees and invitees ("**Grantee's Representatives**") to enter onto the Property at reasonable times, during normal business hours, not more than twice per calendar year and upon not less than ten (10) business days' advance written notice in order to monitor and inspect the Property, to enforce the rights which are granted herein, to determine whether the activities conducted on the Property are in compliance with the terms of this Easement, and to enforce the restoration of such areas or features of the Property as may have been damaged in violation of this Easement, all in compliance with the provisions of Section 10. Grantee will limit the number of Grantee Representatives entering the Property to those who are reasonably necessary to undertake the inspections, and such entry will be for no more days than are reasonably necessary to carry out the inspections. Grantor's representatives shall have the right to accompany Grantee's Representatives during bi-annual monitoring visits or on any other visit permitted by this Section 5.2. Notwithstanding the foregoing, Grantee shall also have the right of entry upon the Property upon not less than twenty-four (24) hours' advance written notice where such entry is necessary to (i) prevent, terminate, or mitigate a violation of the terms of this Easement; or (ii) monitor actions taken pursuant to the bi-annual inspections contemplated by this Section 5.2. All access and entry allowed under this Section 5.2 will be made in a manner that will not unreasonably interfere with the permitted use(s) of the Property by Grantor, its successors in interest, and any occupant(s) or user(s) of the Property and shall comply with any entry and access guidelines established by Grantor and restrictions contained in any Third Party Use Agreements. Without limiting the preceding sentence, with respect to the power house and hydro facilities at the Property, Grantee shall comply with any and all of Grantor's on-site safety and security requirements and any other rules and regulations that may be implemented by Grantor. Grantee agrees to cooperate with Grantor and to abide by any and all orders or instructions issued by Grantor, its employees, agents or representatives. Upon request, if Grantee's employees or other representatives will be entering into restricted areas of the Property, Grantee shall have its employees who will be entering such areas attend PG&E safety presentations, so that such employees understand all safety precautions and protocols concerning high voltage transmission lines and the electrical substation.

**5.3 Grantee Signs.** Grantee shall have the right, but not the obligation, at its sole cost and expense, to erect, maintain, and/or remove, one or more reasonable, non-illuminated signs or other appropriate markers in locations on the Property visible from any public roads or other adjoining property, bearing information indicating (a) that the Property is protected by the Conservation Easement, and/or (b) the participation of Grantee and of any funder in the stewardship of the Conservation Easement, the wording, size, number, design, and location of which shall be decided upon by Grantee and Grantor, each exercising its reasonable discretion.

6. **Prohibited Uses.** Grantor will not engage in, or permit others to engage in, the prohibited uses set forth on Exhibit F hereto, except as otherwise provided therein ("Prohibited Uses"), which Grantor and Grantee agree are inconsistent with the Purpose of this Easement.

7. **Grantor's Reserved Rights.**

7.1 **Hydro and Other Reserved Rights.** As provided in California Civil Code §815.4, all interests not expressly transferred and conveyed to Grantee by this Easement shall remain in Grantor, including the right to engage in and permit or invite others to engage in all uses of the Property not affected by this Easement nor prohibited by this Easement or by law. In compliance with §815.4, Grantor and Grantee acknowledge and agree that Grantor expressly reserves all rights accruing from the ownership of the Property and not expressly transferred and conveyed to Grantee by this Easement, including without limitation the right to engage in or permit or invite others to engage in all uses of the Property that do not significantly impair the Beneficial Public Values and are not expressly prohibited by this Easement. Without limiting the foregoing, Grantor shall have the right to engage in and permit or invite others to engage in the permitted uses set forth in Exhibit I ("Permitted Uses"). In addition and notwithstanding any other provision of this Easement, Grantor expressly reserves the right to engage in or permit or invite others to engage in those uses set forth in Exhibit C ("Hydro Reserved Rights"), subject to the restrictions set forth in Sections 7.3 and 7.4 below.

7.2 **Definitions.** As used in this Section 7, the following defined terms shall have the meanings set forth below:

7.2.1 **Anticipated Significant Actions.** As used herein, "Anticipated Significant Actions" are (a) those Required Actions (which include Specified Required Actions pursuant to Section 7.2.3), that involve a Prohibited Use and/or that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, (b) Discretionary Actions that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values, and (c) Permitted Uses that Grantor determines in Grantor's reasonable discretion exercised in good faith are likely to significantly impair one or more of the Beneficial Public Values. Except as provided in Section 7.3.1, no Grantee notification, consultation or consent shall be required for actions, activities or improvements that are not Anticipated Significant Actions.

7.2.2 **Required Actions.** As used herein, "Required Actions" are those intended actions, activities or improvements that Grantor determines in Grantor's sole discretion exercised in good faith are required on the Property by any one or more of the following: (a) the Commission, FERC, or any other governmental entity having jurisdiction over Grantor's use, ownership, operation, or management of the Property, including the Hydro Project Activities, or (b) any Applicable Law (as defined in Section 8), or (c) any Third Party Use Agreements, or (d) to comply with professional practices,

standards and/or policies governing the Hydro Project Activities. All references in this Agreement to "Required Actions" shall include Specified Required Actions (as defined below) unless otherwise noted.

**7.2.3 Specified Required Actions.** As used herein, "**Specified Required Actions**" are those Required Actions that require a specified action, activity or improvement on the Property, with respect to which Grantor has no material discretion over the specific details of implementation, including, without limitation, the manner, timing, and location of the Specified Required Action. Without limiting Grantor's notification obligations pursuant to Section 7.3.1 below, no Grantee consultation or consent shall be required with respect to any Specified Required Action.

**7.2.4 Discretionary Action.** As used herein, a "**Discretionary Action**" is an intended action, activity or improvement that is not a Required Action or a Permitted Use, and does not involve a Prohibited Use.

**7.2.5 Hydro Operating Zone.** As used herein, a "**Hydro Operating Zone**" is a spatially delineated area of the Property intended to primarily contain (or immediately adjacent to an area of the Property containing) Hydroelectric Facilities and Associated Water Delivery Facilities, as defined and described on Exhibit B hereto. The initial delineated Hydro Operating Zones are set forth on Exhibit G hereto; provided, however, that, subject to Sections 7.3 and 7.4 below, Grantor shall have the right, as a Discretionary Action governed by Sections 7.3 and 7.4 below, to expand, contract, add or remove Hydro Operating Zones from time to time.

**7.3 Annual Work Plan Notification, Consultation and Consent Requirements.**

**7.3.1 Delivery and Contents of Annual Work Plan.** No later than February 15th of each calendar year after the Effective Date, Grantor shall prepare and deliver to Grantee an annual work plan for the Property (an "**Annual Work Plan**"). In the Annual Work Plan, Grantor shall inform Grantee of the Anticipated Significant Actions Grantor anticipates undertaking on the Property during such calendar year. The Annual Work Plan shall include the following:

(a) a reasonably detailed description of the Anticipated Significant Actions Grantor intends to commence within such calendar year, together with a bullet point list of those actions Grantor intends to commence during such calendar year that Grantor determines do not constitute Anticipated Significant Actions;

(b) a bullet point list of all actions undertaken by Grantor during the immediately preceding calendar year that Grantor determined did not constitute Anticipated Significant Actions and were not described in a previous Annual Work Plan (or otherwise disclosed to Grantee);

(c) an indication of whether the Anticipated Significant Actions will occur within or outside of a Hydro Operating Zone;

(d) Grantor's determination of which Anticipated Significant Actions are Discretionary Actions;

(e) Grantor's determination of which Anticipated Significant Actions are Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(f) Grantor's determination of which Anticipated Significant Actions are Specified Required Actions, including a reasonably detailed explanation of the basis for Grantor's determination;

(g) Grantor's determination of which Anticipated Significant Actions are Permitted Uses, including a reasonably detailed explanation of the basis for Grantor's determination;

(h) Grantor's estimated timeline for commencement and completion of each of the Anticipated Significant Actions;

(i) a description of Grantor's anticipated efforts to avoid or minimize harm to or impairment of the Beneficial Public Values from the Anticipated Significant Actions;

(j) if and when available, Grantor shall use reasonable efforts to provide copies of any underlying filings (including filings, if any, under the California Environmental Quality Act), permits (e.g., burn permits, stream alteration permits, or timber harvest plans), orders or rulings associated with the Anticipated Significant Actions; and

(k) any Third Party Use Agreement renewals or replacements as contemplated by Section 9.1.2 below.

**7.3.2 Review of Annual Work Plan.** Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Annual Work Plan to review the Annual Work Plan. Grantee has the right to request reasonable additional information regarding actions identified in the Annual Work Plan. As part of the Annual Work Plan review process, Grantor and Grantee will consult on Express Third Party Uses as contemplated by Section 9.1 below and Informal Uses as contemplated by Section 9.2 below. Periodically, at such annual review meetings, the content requirements for the Annual Work Plan as set forth in Section 7.3.1 above may be modified, confirmed by mutual written agreement of the parties.

**7.3.3 Anticipated Significant Actions within Hydro Operating Zones.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Anticipated Significant Actions within a Hydro Operating Zone.

**7.3.4 Anticipated Significant Actions Outside Hydro Operating Zones.** The following provisions shall apply with respect to Anticipated Significant Actions outside of a Hydro Operating Zone:

(a) **Specified Required Actions.** Without limiting Grantor's notification obligations pursuant to Section 7.3.1 above, no Grantee consultation or consent shall be required with respect to any Specified Required Actions outside of a Hydro Operating Zone.

(b) **Other Required Actions and Permitted Uses.** With respect to Required Actions and Permitted Uses disclosed in the Annual Work Plan that are not Specified Required Actions and are to be undertaken outside of a Hydro Operating Zone, Grantor and Grantee agree that, at or prior to the meeting to review the Annual Work Plan, Grantee may (but shall be under no obligation to) propose alternative methods and practices to avoid or minimize harm to or impairment of one or more Beneficial Public Values by such Anticipated Significant Actions ("**Proposed Methods and Practices**"). Grantor shall implement the Proposed Methods and Practices, to the extent Grantor determines in its sole discretion exercised in good faith that the Proposed Methods and Practices (i) may be implemented in a commercially reasonable manner balancing the harm to Beneficial Public Values with any increased cost or burden to Grantor, (ii) where applicable, will allow for the completion of a Required Action in a timely manner, and (iii) are reasonably likely to avoid potential harm to or impairment of one or more Beneficial Public Values. If Grantor determines that one or more of the foregoing conditions has not been satisfied, Grantor shall specify the reasons for this determination in detail, and Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantor's objections to Grantee's Proposed Methods and Practices consistent with this paragraph.

(c) **Discretionary Actions.** With respect to Discretionary Actions disclosed in the Annual Work Plan that are to be undertaken outside of a Hydro Operating Zone, such Discretionary Actions shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee. If Grantee fails to grant or deny Grantor's request for consent within one hundred eighty (180) days following Grantee's receipt of Grantor's request for consent, Grantee shall be deemed to have consented to the particular Discretionary Action described in the request. If Grantee withholds its consent to such proposed Discretionary Action to be undertaken outside of a Hydro Operating Zone, Grantee shall specify its objections in detail and, wherever possible, propose commercially reasonable alternatives, methods and/or practices to avoid or mitigate harm to or impairment of the Beneficial Public Values while substantially achieving the purposes of Grantor's proposed Discretionary Action. Grantor and Grantee shall cooperate in good faith and with diligence to attempt to resolve Grantee's objections in a manner that sufficiently mitigates Grantee's objections to its reasonable satisfaction.

**7.4 Anticipated Significant Actions Not Identified in Annual Work Plan.** If Grantor intends to undertake an Anticipated Significant Action not identified in an Annual Work Plan, Grantor shall notify Grantee (a "**Notice of Action**"), and include the

information required by Section 7.3.1 above. Additionally, Grantor and Grantee shall meet (in person or electronically) within sixty (60) days after Grantee's receipt of the Notice of Action to review Grantor's proposed Anticipated Significant Actions. Any Anticipated Significant Action (other than a Specified Required Action) identified in a Notice of Action which is proposed to occur outside of a Hydro Operating Zone shall be subject to Section 7.3.4 above. Where this Section 7.4 applies, references to the "Annual Work Plan" in Section 7.3.4 above shall be deemed to be references to the applicable Notice of Action except that Grantor shall not be required to provide the list of actions set forth in Section 7.3.1(b) above.

**7.5     Emergency Actions.** Notwithstanding any other provisions of this Section 7, in the case of an emergency or other exigent circumstance affecting the safety of persons and/or property, Grantor may exercise its Hydro Reserved Rights and take any other remedial actions in an unrestricted manner on all or any portion of the Property within or outside of a Hydro Operating Zone without consultation with Grantee and without Grantee's consent. Grantor shall provide copies of any required notifications to applicable regulatory agencies of the emergency action and shall notify Grantee of those emergency actions taken, such notice to be provided to Grantee as soon as practicable but in any event within thirty (30) days after the emergency action has occurred.

**7.6     Water Rights.** The Parties acknowledge that Grantor's exercise of water rights relating to water located or flowing on or under the Property, including those described in Exhibit C, are governed by this Section 7.

**8.     Responsibility for Operations.** Nothing in this Easement shall be construed as giving any right or ability to Grantee to exercise physical or managerial control of the day-to-day operations of the Property or of Grantor's activities on the Property. Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, the ownership of the Property. In connection with Grantor's use or occupancy of the Property, Grantor shall have and retain all responsibility for, and shall bear all costs and liabilities of, compliance with any present and future applicable laws, ordinances, rules, regulations, permits, licenses, authorizations, orders and requirements, whether or not in the current contemplation of the parties, which may affect or be applicable to the Property or any part of the Property (including, without limitation, any subsurface area), all consents or approvals required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, or any other governmental or quasi-governmental body or bodies exercising similar functions, having or acquiring jurisdiction of the Property (in each case, an "**Applicable Law**"), except as expressly stated otherwise in this Easement. Without placing any limitation on the foregoing sentence, the parties agree as follows:

**8.1     Condition of Property.** Grantee shall have no duty or responsibility for (a) the operation or maintenance of the Property except to the extent specifically undertaken by Grantee as permitted under this Easement, (b) the monitoring of any

hazardous conditions thereon, or (c) the protection of Grantor, the public, or any other person or entity from any risks relating to conditions on the Property.

**8.2 Taxes.** Grantee shall have no duty or responsibility for real property taxes and assessments levied on the Property.

**8.3 Permits and Approvals.** Grantor shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantor which is permitted by this Easement; provided, however, Grantor shall have no responsibility pursuant to this Easement for obtaining permits and approvals required on behalf of unrelated third parties who occupy or use the Property or for an unrelated third party's failure to comply with Applicable Laws. Grantee shall be solely responsible for obtaining any and all applicable governmental permits and approvals for, and otherwise complying with all Applicable Laws relating to, any activity or use of the Property by Grantee which is permitted by this Easement.

**8.4 Limitation on Restoration Obligations.** Nothing in this Easement shall require Grantor to take any action to restore the condition of the Property after (a) any Act of God, which includes, without limitation, fire, climate change, flood, storm, earth movement, or natural evolutionary changes in the condition of the Property from that described in the Baseline Documentation Report; (b) any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or to any person resulting from such causes; or (c) the non-permitted acts of unrelated third parties so long as Grantor has satisfied its obligations under Section 9.3.

## 9. Third Party Use of the Property.

**9.1 Express Third Party Uses.** Exhibit H hereto describes the existing third party uses of the Property permitted with the express agreement of Grantor ("**Express Third Party Uses**"). Subject to Section 7 above, Express Third Party Uses shall also include any future third party use implemented by Grantor as a Required Action or as a Discretionary Action approved by Grantee in accordance with Section 7. Grantor retains the right to maintain, renew, and replace all agreements memorializing the Express Third Party Uses ("**Third Party Use Agreements**") and to engage in all activities reasonably required to comply with Grantor's obligations with respect to the Express Third Party Uses, subject to the following conditions:

**9.1.1 Increases in Intensity or Expansion of Location or Size or Change in Use.** Any (i) increase in the intensity, or (ii) expansion of the location or size, or (iii) a change in the use, of an Express Third Party Use (whether through a new agreement or an amendment to an existing agreement), that Grantor determines in Grantor's reasonable discretion exercised in good faith is likely to significantly impair the Beneficial Public Values shall be subject to Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed by Grantee, except

if such change in Express Third Party Use constitutes a Required Action in which case the consultation provisions of Section 7 above shall apply.

**9.1.2 Renewal or Replacement of Third Party Use Agreements.**

All Third Party Use Agreements existing on the date hereof are identified on Exhibit H. As Third Party Use Agreements are renewed or replaced (either with the existing user or a new user), Grantor, in consultation with Grantee as part of the Annual Work Plan consultation in accordance with Section 7.3 above, shall include contractual provisions to bring the continuation of the Express Third Party Use and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.3 Consultation on Express Third Party Uses.** As part of the

Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on existing Express Third Party Uses, including recommendations, if any, on how to bring the Express Third Party Uses and the preservation of the Beneficial Public Values into alignment to the fullest extent reasonably practicable.

**9.1.4 Enforcement of Third Party Use Agreements.** If Grantor or

Grantee discovers any default under a Third Party Use Agreement that significantly impairs the Beneficial Public Values (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts to enforce such Third Party Use Agreement or otherwise remedy such violation, at Grantor's sole expense.

**9.2 Informal Uses and Public Access.** Grantor and Grantee recognize that the Property has been used by third parties for recreational, cultural, and other non-commercial or informal purposes without formal written agreements to conduct such activities (the "**Informal Uses**"). Grantor and Grantee further recognize that access is inherent or may be inherent in the enjoyment of the Beneficial Public Values and the Informal Uses. Consistent with the objectives articulated in the Governing Documents to provide continued reasonable access by the public to the Watershed Lands, Grantor shall allow public access to the Property (other than Hydro Operating Zones) that is substantially consistent with the public access existing on the Effective Date, subject to Section 7 and the following limitations:

**9.2.1 Rules and Regulations.** Grantor reserves the right to make reasonable rules and regulations to control, limit, or, as necessary, exclude Informal Uses and public access.

**9.2.2 Liability Limitation.** Grantor and Grantee claim all of the rights and immunities against liability for injury to the public to the fullest extent allowable by law.

**9.2.3 Periodic Review of Informal Uses.** As part of the Annual Work Plan review process under Section 7.3 above, Grantor and Grantee will consult on Informal Uses, including recommendations made by Grantor or Grantee, if any,

regarding the necessity of controlling, limiting or excluding the Informal Uses to ensure the preservation of the Beneficial Public Values.

**9.3 Unauthorized Third-Party Uses.** If Grantor or Grantee discovers any unauthorized third-party use or activity on the Property (not including any third party violation covered by Section 9.1.4 above) that violates the terms of this Easement (and if Grantee makes such discovery, Grantee gives Grantor written notice thereof), Grantor shall use reasonable efforts, in consultation with Grantee, to stop or prevent any such unauthorized use of the Property, at Grantor's sole expense; provided that in no event shall Grantor's obligations under this Section 9.3 require Grantor to pursue legal action or incur other substantial costs. If Grantee demonstrates that Grantor's efforts in compliance with this Section 9.3 have not prevented, or are unlikely to prevent, the unauthorized third-party use or activity on the Property that violates the terms of this Easement, Grantee may meet and confer with Grantor to propose additional efforts to prevent such use or activity which Grantee may undertake, at Grantee's sole expense. Grantor shall consider such proposal in good faith and, if Grantor permits Grantee to use such additional efforts, the scope and duration of such efforts shall be determined by Grantor, and Grantee shall comply with any requirements imposed by Grantor in connection with such efforts.

**10. Enforcement and Remedies.**

**10.1 Procedures Upon Violation.** If a party hereto (the "**Non-Breaching Party**") determines there is a breach of the terms of this Easement or that a breach is threatened, written notice of such breach (the "**Notice of Breach**") and a demand for corrective action sufficient to cure the breach shall be given by the Non-Breaching Party to the party allegedly breaching this Easement (the "**Breaching Party**"). Within fourteen (14) days after delivery of a Notice of Breach, Grantor and Grantee shall meet at a location in the County where the Property is located or as otherwise agreed to by the parties to discuss the circumstances of the alleged or threatened breach and to attempt to agree on appropriate corrective action. If the parties mutually determine that it is appropriate and desirable, a duly qualified expert in the subject matter of the alleged breach (the "**Consulting Expert**") shall attend the meeting. Grantor and Grantee shall each pay one-half of the costs of retaining the services of the Consulting Expert for such discussion; provided, however, that if Grantor and Grantee are unable to agree upon a Consulting Expert, each party may retain the services of an expert at its own expense. If Grantor and Grantee are unable to agree on appropriate corrective action (or if any such corrective action is required) within thirty (30) days after such meeting, then the Non-Breaching Party may, at its election, deliver a further written notice to the Breaching Party to demand reasonable, particular corrective action to cure the breach (the "**Notice of Easement Violation**"). If a violation is not cured within thirty (30) days after the delivery of the Notice of Easement Violation, or if the cure reasonably requires more than thirty (30) days to complete and there is failure to begin the cure within the 30-day period or failure to continue diligently to complete the cure, the Non-Breaching Party may commence litigation in accordance with Section 10.2 below.

**10.2 Litigation.** If the parties are not able to resolve a claim or dispute pursuant to Section 10.1 above, the Non-Breaching Party may bring an action at law or in equity in a court of competent jurisdiction to enforce compliance with the terms of this Easement, to recover any damages to which Non-Breaching Party may be entitled for violation of the terms of this Easement, or for any other legal or equitable relief available under California law, including, but not limited to, temporary or permanent injunctive relief, monetary damages and/or any other form of relief required to achieve the restoration of the Property to the condition in which it existed prior to any violation. To the extent that Grantee recovers any monetary damages for the cost of restoring any injury or damage to a portion of the Property that is caused by Grantor's breach of this Easement, all such damages recovered by Grantee (after appropriate costs of suit are reimbursed) shall be applied to the cost of undertaking any corrective action to the applicable portion of the Property. Notwithstanding anything to the contrary contained in this Easement, in no event shall the Breaching Party be liable to the Non-Breaching Party for, and the parties each hereby waive their right to, any indirect, special, punitive, or consequential damages resulting from the Breaching Party's breach of this Easement, whether foreseeable or unforeseeable.

**10.3 Emergency Injunctive Relief.** If circumstances require immediate action to prevent or mitigate a violation of this Easement and the Non-Breaching Party reasonably determines that irreparable harm would result if the Non-Breaching Party were required to complete the process set forth in Section 10.1, the Non-Breaching Party may proceed immediately to seek an injunction to stop the violation, temporarily or permanently.

**10.4 Remedies Cumulative.** The remedies described in this Section 10 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity, including but not limited to, the remedies set forth in California Civil Code §815 *et seq.*, inclusive. The failure of a party to discover a violation or to take immediate legal action shall not bar taking such action at a later time.

**10.5 Costs of Enforcement.** All costs incurred in enforcing the terms of this Easement, including, but not limited to, costs of suit and reasonable attorneys' fees as set forth in Section 20.11, shall be borne by the Breaching Party, but only to the extent that a breach of this Easement is determined to have occurred. If, after the Non-Breaching Party delivers a Notice of Easement Violation, it is determined that there was no breach of this Easement by the Breaching Party, the Non-Breaching Party shall pay all of the Breaching Party's costs and expenses incurred in connection with the alleged breach.

**10.6 No Waiver.** Enforcement of this Easement against a party shall be at the discretion of the Non-Breaching Party, and any forbearance by the Non-Breaching Party to exercise its rights under this Easement in the event of any breach of any term of this Easement shall not be deemed or construed to be a waiver by the Non-Breaching Party of such term or of any subsequent breach of the same or any other term of this Easement or of any of such party's rights under this Easement. No delay or omission by the Non-Breaching Party in the exercise of any right or remedy shall impair

such right or remedy or be construed as a waiver. A party's permission to the other party to carry out, or failure to object to, any proposed use or activity by the other party shall not constitute consent to any subsequent use or activity of the same or different nature.

**11. Indemnification and Insurance.**

**11.1 Indemnification by Grantee.** Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantor, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantor Indemnitees**") from and against all claims, losses, actions, demands, damages, costs, expenses (including, but not limited to, experts' fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "**Claims**") arising out of or in connection with this Easement or the Property to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.2 Indemnification by Grantor.** Grantor shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless Grantee, its parent corporation, subsidiaries, affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (collectively, "**Grantee Indemnitees**") from and against all Claims arising out of or in connection with this Easement or the Property except to the extent caused by the negligence or willful misconduct of the Grantee Indemnitees.

**11.3 Release.** Entry onto the Property by Grantee and Grantee's Representatives shall be at Grantee's sole risk and expense, and Grantee accepts all risk relating to the condition of the Property. Notwithstanding the provisions of Section 11.2, Grantor shall not be liable to Grantee for, and to the maximum extent permitted by law, Grantee hereby waives and releases Grantor and the other Grantor Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss to Grantee and/or Grantee's Representatives resulting from or attributable to any occurrence relating to the condition of the Property, except if arising solely from Grantor's gross negligence or willful misconduct.

**11.4 Insurance.** Grantee shall procure, carry and maintain in effect during all access to the Property throughout the term of this Easement the insurance specified in Exhibit E hereto, provided that Grantor reserves the right to periodically review and reasonably modify the insurance requirements specified in Exhibit E in effect to be generally consistent with requirements of other prudent property owners allowing access to their properties by conservation easement holders. All insurance shall be written on forms and with insurance carriers acceptable to Grantor in its commercially reasonable judgment. Prior to Grantee's initial entry onto the Property, and thereafter at least thirty (30) days prior to the expiration date of any policy, Grantee shall provide Grantor with evidence of the insurance coverage, or continuing coverage, as applicable, satisfying the requirements of this Section 11.4 and Exhibit E. Grantee is also responsible for causing Grantee's agents and contractors entering the Property to

comply with the insurance requirements of this Easement at all relevant times, the insurance being specified in Exhibit E. Grantee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold the Grantor Indemnitees harmless against claims, losses, costs (including attorneys' fees and costs), liabilities and damages resulting from the failure of Grantee, or any of Grantee's consultants, contractors or subcontractors, to comply with the insurance requirements set forth in this Section 11.4 and Exhibit E. Except for the right to access the Property under Section 5.2 above, which shall be conditioned upon carrying insurance required herein, no failure to carry such insurance or to provide a certificate thereof by any such deadline shall alter or affect in any manner any of the rights or obligations of the parties under or with respect to this Easement. The foregoing insurance requirements shall not apply in the event that the Grantee is a governmental agency with a self-insurance program reasonably acceptable to Grantor.

**12. Grantee Transfer of Easement.**

**12.1 Voluntary Transfer.**

12.1.1 If Grantee desires to assign its interest under this Easement, Grantee shall provide Grantor and the Sierra Nevada Conservancy ("SNC") with written notice of such intention to transfer to an assignee which is (a) qualified to hold a conservation easement under §815.3 of the California Civil Code; and (b) willing and with the financial capability (taking into account any stewardship funds to be transferred by Grantee with this Easement) and organizational experience to assume all of the responsibilities imposed on Grantee under this Easement; and (c) acceptable to Grantor in its reasonable discretion. Grantee shall allow the SNC, in consultation with Grantor, a period of not less than sixty (60) days within which to approve the proposed assignee, which approval shall not be unreasonably withheld and shall be based on whether the proposed assignee meets the designation criteria specified in this Section 12.1.1.

12.1.2 Grantee is responsible for identifying a suitable assignee pursuant to Section 12.1.1. However, if a suitable assignee is not identified, then SNC shall have sole discretion to elect to become the assignee of Grantee's interest hereunder.

12.1.3 As conditions to any assignment of Grantee's interest under this Easement, Grantee shall (a) require the assignee to expressly agree in writing to assume Grantee's obligations hereunder, and (b) ensure that such assignee has the resources to fulfill its obligations under this Easement. Notwithstanding anything in this Section 12.1 to the contrary, this Easement shall not be transferred by Grantee to any governmental entity, public agency or Native American tribe without the consent of the Grantor, which consent shall be in Grantor's sole discretion exercised in good faith.

**12.2 Involuntary Transfer.** If Grantee ever ceases to exist or no longer qualifies under §815.3 of the California Civil Code, the Stewardship Council (or its designee), or if the Stewardship Council (or its designee) shall cease to exist, the Attorney General of the State of California, shall petition a court of competent

jurisdiction to transfer this Easement to an organization that meets all of the designation criteria specified in Section 12.1.

**13. Subsequent Property Transfers by Grantor.**

**13.1 Rights of Grantor.** Subject to the provisions of Sections 7 and 9 above, this Section 13, Section 20.12 below, and Exhibit F, Paragraph 1 below, Grantor shall have the unrestricted right to sell, encumber, or otherwise transfer the Property or portions thereof to anyone Grantor chooses. Notwithstanding the foregoing, Grantor shall disclose the existence of this Easement (including reference to the recording information) in any deed or other legal instrument by which Grantor divests itself of a real property interest in all or a portion of the Property, including, without limitation, a leasehold interest, and all such conveyances shall be made expressly subject to the terms of this Easement. Grantor shall notify Grantee periodically of any contemplated grants by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. Additionally, Grantor shall notify Grantee in writing not more than thirty (30) days after any grant by Grantor to any third party of any interest in any portion of the Property, whether such interest is a fee, easement, lease, mortgage or other interest. The failure of Grantor to perform any act required by this Section 13 shall not impair the validity of this Easement or limit its enforcement in any way or create any obligation on the part of Grantee. Grantor recognizes that Grantee may incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title of the Property, Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

**13.2 Potential Release of Hydro Reserved Rights.**

**13.2.1 Conveyance of Entire Property. In the event:**

(a) Grantor intends to transfer fee title to the entire Property to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Property have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Property,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses prior to said transfer of the entire Property, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Property, (i) all rights of Grantor described in Exhibit C, (ii) the exceptions to the Prohibited Uses for Required Actions and Specified Required Actions set forth in Exhibit F, (iii) the exceptions to the Prohibited Uses in Exhibit F relating to activities within the Hydro Operating Zone, and (iv) Permitted Uses, to the extent related to the Hydro Project Activities, as set forth in Exhibit I (items (i), (ii), (iii) and (iv) being referred to collectively as the "**Reservations**"). Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.2 Partial Conveyance.** In the event:

(a) Grantor intends to transfer fee title to less than the entire Property (the "**Transferred Parcel**") to an unaffiliated third party;

(b) the Hydro Project Activities and any uses and facilities that are unrelated to the Hydro Project Activities but undertaken as a Required Action at the Transferred Parcel have been formally and permanently terminated by Grantor and, as appropriate, decommissioned pursuant to a regulatory proceeding; and

(c) no Hydroelectric Facilities and Associated Water Delivery Facilities, nor other facilities unrelated to Hydro Project Activities installed pursuant to a Required Action are located at the Transferred Parcel,

then, subject to any final orders or decommissioning requirements issued by the FERC and/or other agency(ies) with jurisdiction over the Hydro Project Activities and such other unrelated uses, prior to said transfer of the Transferred Parcel, Grantor shall release, relinquish and forever terminate, in a manner that shall be binding upon all successors in interest to the Transferred Parcel, the Reservations with respect to the Transferred Parcel. Following such release, relinquishment and termination of Reservations, all Anticipated Significant Actions (except for Prohibited Uses and continuing Permitted Uses) on the Transferred Parcel shall be subject to Grantee's consent as Discretionary Actions and the Easement shall be interpreted more restrictively in a manner recognizing the release of Reservations as to the Transferred Parcel. Additionally, following such release, relinquishment and termination of Reservations, the forest management activities specified in Section 9 of Exhibit I on the Transferred Parcel shall continue as Permitted Uses, but shall be subject to Grantee's consent as Discretionary Actions.

**13.2.3 Grantor's Continuing Reserved Rights.** Nothing in Section 13.2.2 shall limit the rights of Grantor in this Easement with respect to the portion of the Property retained by Grantor.

**13.2.4 Easement Amendment.** In the event of a conveyance and release of Reservations pursuant to this Section 13.2, Grantor and Grantee may agree to amend this Easement, or to create a separate Easement for the Transferred Parcel and for the remaining portion of the Property in accordance with Section 17, to reflect the release of Reservations and, where appropriate, to reflect separate ownership of the Transferred Parcel and the remainder of the Property. In accordance with Section 17 below, Grantor shall reimburse Grantee for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of any amendment or separate Easement pursuant to this Section, including costs incurred in consideration of whether an amendment and/or new Easement(s) is/are necessary or appropriate.

**13.2.5 Transfer Restrictions Remain Applicable.** Nothing herein shall affect Grantor's obligations under Section 1 of Exhibit F.

**14. Extinguishment and Condemnation.**

**14.1 Extinguishment.** If circumstances arise in the future such as render the Purpose of this Easement impossible to accomplish, this Easement shall only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. Grantor's economic hardship shall not be a reason to extinguish this Easement.

**14.2 Condemnation.** If all or part of the Property is taken by the exercise of the power of eminent domain by a public, corporate, or other authority, whether permanent or temporary, including a private sale in lieu of eminent domain, so as to abrogate the restrictions imposed by the Conservation Easement, Grantor and Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking. All compensation thereby awarded will belong and be paid to Grantor and Grantee in proportion to their respective interests in the Property as determined pursuant to Section 14.3, it being expressly agreed that the Conservation Easement constitutes a compensable property right. All expenses incurred by Grantor and Grantee in such action shall be paid out of the recovered proceeds. Grantor and Grantee acknowledge that any and all awards to Grantor and Grantee may be subject to the approval of the Commission and/or the FERC.

**14.3 Proceeds.** Pursuant to California Civil Code §815.2(a) this Easement constitutes a real property interest immediately vested in Grantee. It is acknowledged by the parties that the purposes of establishing the value of this property right and enforcing the rights of Grantee with respect thereto is to prevent a private windfall and to protect the public investment which is involved in the conveyance of the Conservation Easement. That being the case, the parties stipulate that, for the purpose of determining the ratio for proportionate value of each party's

respective interest in the Property at the time of termination or extinguishment of the Conservation Easement, the value of the Conservation Easement shall be the difference between (a) the current fair market value of the fee interest in the Property at the time of termination, as if unencumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements), and (b) the current fair market value of the Property at the time of termination, as encumbered by the Conservation Easement, but taking into account all other existing restrictions on the improvement, construction, alteration, expansion, development, use, maintenance or operation of all or any portion of the Property (e.g., zoning laws, land use laws or other governmental laws, codes, regulations or ordinances, and private restrictions such as covenants, restrictions and agreements). The values shall be determined by an appraisal prepared by a qualified appraiser familiar with appraising conservation easements jointly selected by Grantor and Grantee. The cost of the appraisal shall be paid out of proceeds in proportion to the recoveries of Grantor and Grantee. There shall be no restriction on Grantor's or Grantee's use of proceeds received pursuant to this Section 14.3.

**15. Estoppel Certificates.** Grantee shall, within thirty (30) days after receiving Grantor's written request therefor (not to exceed once during any twelve (12) month period), execute and deliver to Grantor a document certifying, to the actual knowledge of the person executing the document without any duty of investigation, that Grantor is in compliance with any obligation of Grantor contained in this Easement, or otherwise evidencing the status of such obligation to the extent of Grantee's actual knowledge thereof, as may be reasonably requested by Grantor.

**16. Notices.** **[Note: Always confirm PG&E's notices address are current.]** Any notice or other communication required or permitted under this Easement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx, UPS, or Airborne Express, addressed to the parties as follows:

If to Grantor: If by registered or certified mail, return receipt requested:

Director, Land Management  
Pacific Gas and Electric Company  
P.O. Box 770000, Mail Code N10A  
San Francisco, CA 94177  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Managing Counsel, Commercial and Transactions  
(Real Estate)  
Re: Land Conservation Commitment

If by personal delivery or overnight courier:

Director, Land Management  
Pacific Gas and Electric Company  
245 Market Street, Room 1051  
San Francisco, CA 94105  
Re: Land Conservation Commitment

With a copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Managing Counsel, Commercial and Transactions  
(Real Estate)  
Re: Land Conservation Commitment

If to Grantee:

If by registered or certified mail, return receipt requested:

Shasta Land Trust  
5170 Bechelli Lane  
P.O. Box 992026  
Redding, CA 96099-2026  
Attn: Executive Director

If by personal delivery or overnight courier:

Shasta Land Trust  
5170 Bechelli Lane  
Redding, CA 96002  
Attn: Executive Director

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Either party may change the address for notice by giving notice to the other party in accordance with this Section 16.

**17. Amendment.** This Easement may not be amended, except by written amendment executed by Grantor and Grantee or their respective successors and assigns and recorded in the official public records of the jurisdiction where the Property is located. If circumstances arise under which an amendment would be appropriate, any such amendment shall be consistent with Grantee's conservation easement amendment policy(ies), and the Purpose of this Easement, including continuing to protect and preserve the Beneficial Public Values, and shall not affect the perpetual duration of this Easement or the qualification of the Conservation Easement as a conservation easement under California Civil Code §815 et seq. (or successor thereto). Grantee shall promptly record the amendment in the official records of the County in which the Property is located, and shall thereafter promptly provide a conformed copy of the recorded amendment to Grantor. The party requesting the amendment shall reimburse the non-requesting party for all reasonable costs incurred in connection with the drafting, review, negotiation, approval and recording of such amendment. Grantor shall be deemed to be the "party requesting the amendment" in connection with any amendment and/or new conservation easement(s) pursuant to Section 13 above and the "reasonable costs incurred" shall include consideration of whether an amendment and/or new conservation easement(s) is/are necessary or appropriate.

**18. Hazardous Substances.**

**18.1 Definitions.** The following terms have the meanings ascribed to them below for purposes of this Easement:

**18.1.1 "Environmental Requirements"** means all applicable present and future laws, statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, judicial, administrative and regulatory decrees, directives and judgments of all governmental agencies, departments, commissions and boards, relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or groundwater, including, without limitation, all requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of Hazardous Substances, whether solid, liquid or gaseous in nature, into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances, whether solid, liquid or gaseous in nature.

**18.1.2 "Hazardous Substances"** means any hazardous or toxic material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government under any Environmental Requirements, including, without limitation, any material or substance:

(a) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable local, state or federal law or under the regulations adopted or promulgated pursuant thereto; and all rules and

regulations of the United States or California Environmental Protection Agency or any successor agency, or any other state or federal department, board or agency, or any other agency or governmental board or entity having jurisdiction, as any of the foregoing have been, or are hereafter amended from time to time; or

(b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, any State of the United States or any political subdivision thereof; or which cause, or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or

(c) the presence of which on the Property poses or threatens to pose a hazard to the health or safety of persons or to the environment; or

(d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or

(f) which contains radon gas.

**18.1.3 "Necessary Remediation"** means Remediation required by any governmental agency which has jurisdiction over the Remediation pursuant to the Environmental Requirements.

**18.1.4 "Remediation"** refers to the process of, and all work and planning performed in connection with, the investigation, testing for, monitoring, remediation, containment, transportation, removal and disposal or recycling of Hazardous Substances from the Property and any other property to which Hazardous Substances originating on the Property have migrated or may migrate in the future, and the repair and restoration of the Property, and restoration and mitigation of affected natural resources, regardless of whether such actions are required by Environmental Requirements.

## **18.2 Allocation of Responsibility for Hazardous Substances.**

**18.2.1 Generally.** Grantor shall (as between Grantor and Grantee) bear the cost for the Necessary Remediation of Hazardous Substances.

**18.2.2 Environmental Reports.** Grantor, as part of the Land Conservation Commitment has prepared certain environmental reports concerning the Property. Copies of these environmental reports have been provided to Grantee.

**18.2.3 Grantor Responsibility for the Cost of Necessary Remediation.** Grantor shall retain responsibility for the cost of Necessary Remediation

of Hazardous Substance releases in soil and groundwater, whether occurring in the past or at any time in the future, which are present on the Property, provided that Grantee did not cause, in whole or in part, such Hazardous Substance contamination.

**18.2.4 No Owner or Operator Liability.** The parties do not intend this Easement to be, and this Easement shall not be, construed such that it creates in or gives to Grantee any of the following solely as the result of being a holder of the Conservation Easement:

- (a) The obligations or liability of an "owner" or "operator" or "arranger," as those terms are defined and used in Environmental Requirements;
- (b) The obligations or liabilities of a person described in 42 U.S.C. §9607(a)(3) or (4);
- (c) The obligations of a responsible person under any applicable Environmental Requirements;
- (d) The right to investigate and remediate any Hazardous Substances associated with the Property; or
- (e) Any control over Grantor's ability to investigate, remove, remediate or otherwise clean up any Hazardous Substances associated with the Property.

**18.3 Hazardous Substances Indemnification.**

**18.3.1 By Grantor.** Grantor agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantee harmless, from and against any and all losses (including diminution in the value of the Property and other consequential damages), costs, claims, demands, actions, suits, orders, causes of action, penalties, fines, taxes, obligations, controversies, debts, expenses, accounts, damages (including, without limitation, punitive damages), judgments and liabilities of whatever kind or nature, and by whomsoever asserted, in law, equity or otherwise, including, without limitation, the actual fees and expenses of experts, attorneys and others and the payment of "response costs" under CERCLA or any other Environmental Requirements, arising from or relating, in whole or in part, to Hazardous Substances present at the Property, alleged to be present there, or otherwise connected in any way to the Property, whether before, on, or after the date of this Easement (collectively, "**Environmental Claims**"), except to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

**18.3.2 By Grantee.** Grantee agrees and covenants, at its sole cost and expense, to indemnify, protect, defend and hold Grantor harmless, from and against any and all Environmental Claims, to the extent caused, in whole or in part, by the negligent or intentional act of Grantee.

**19. Carbon Rights.**

**19.1 Promotion of Climate Stability.** Grantor and Grantee anticipate that the protection and preservation of the Beneficial Public Values will promote climate stability, especially the ability of the forest to store atmospheric carbon as a means to mitigate global warming, which is recognized as being of public benefit by the 1993 United Nations Framework Convention on Climate Change, the federal Energy Policy Act of 1002, section 1605(a) and (b), the United States Climate Challenge Program, the 2007 reports of the International Panel on Climate Change, and California legislation such as that embodied in Fish and Game Code Section 1356.

**19.2 Reservation of Carbon Rights.** Grantor exclusively reserves to itself, and to its representatives, successors and assigns, any and all carbon rights and obligations appurtenant to or accruing from the Property as may exist as of the date of recordation of this Easement or as may be granted, discovered, created, declared or developed in the future, including, but not limited to, the right to (subject to and in accordance with Section 7 hereof) use, store, sequester, accumulate, and/or depreciate carbon within or on the Property and the right to trade, sell, transfer, or lease these rights. Grantor and Grantee acknowledge and agree that these carbon rights are consistent with the Beneficial Public Values, and this Easement shall not extinguish or otherwise impair the carbon rights and obligations appurtenant to or accruing from the Property.

**19.3 Carbon Certification.** In furtherance of Grantor's exercise of the carbon rights reserved hereunder, Grantor may elect to enter into an agreement not inconsistent with this Easement respecting such reserved rights as may be required by a third party that Grantor chooses ("**Carbon Certification Party**") in order to facilitate the sale, transfer or lease of the carbon rights and may record such agreement in the official records of any County where the Property is located. To the extent reasonably required by any Carbon Certification Party and requested by Grantor, Grantee, at Grantor's cost and expense, shall cooperate with Grantor by accommodating Grantor's establishment, verification or certification of the carbon rights in connection with the Property. Grantor agrees to notify Grantee at least thirty (30) days prior to any sale, transfer or lease of these carbon rights or the recording of an agreement with respect thereto, unless Grantor has previously notified Grantee in an Annual Work Plan.

**20. General Provisions.**

**20.1 Governing Laws.** This Easement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

**20.2 No Public Dedication.** Nothing contained in this Easement shall be construed or deemed to be an express or implied dedication or gift of all or any portion of the Property for use or access by the general public nor shall this Easement or any of the rights granted hereunder be construed as an acknowledgement of any claim of prescriptive or other similar rights in or over the Property.

**20.3 Liberal Construction.** Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed to effect the Purpose of this Easement and the policy and purpose of California Civil Code §815 et seq., while recognizing Grantor's reserved rights. If any provision in this Easement is found to be ambiguous, an interpretation consistent with the Purpose of this Easement, which recognizes Grantor's reserved rights and that would render the provision valid shall be favored over any interpretation that would render it invalid.

**20.4 Further Assurances.** Each party hereto agrees to execute and deliver to the other party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the parties as contained in this Easement.

**20.5 Severability.** If any provision of this Easement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Easement, and to this end the provisions of this Easement are intended to be and shall be severable.

**20.6 Entire Agreement.** This Easement sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein.

**20.7 No Forfeiture.** Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

**20.8 Successors.** The easement created by this instrument shall be a servitude running with the land in perpetuity. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns and shall run with the Property. However, this Easement shall not create or bestow any lien or property right in any third party. Grantor and Grantee agree that no third party beneficiary to this Easement exists and that nothing contained herein shall be construed as giving any person third party beneficiary status or any right of enforcement hereunder.

**20.9 Recordation.** Grantee shall promptly record this Easement in the official records of the County in which the Property is located, and shall thereafter promptly provide to Grantor a copy hereof showing the recording information. Grantee may re-record this Easement at any time as may be required to preserve its rights in this Easement.

**20.10 Termination of Rights and Obligations.** A party's rights and obligations under this Easement shall terminate only upon transfer of the party's interest in all or portions of either the Conservation Easement or the Property, except that liability for acts or omissions occurring prior to transfer shall survive the transfer.

**20.11 Attorneys' Fees.** In the event that any party shall bring an action to enforce its rights under this Easement, or relating to the interpretation hereof, whether

for declaratory, injunctive or other relief, the prevailing party in any such proceeding shall be entitled to recover from the other party reasonable attorneys' fees and all costs, expenses and disbursements that the prevailing party incurred in connection with such proceeding, including appeals, remands and any other subsequent proceeding (including, but not limited to, the reasonable costs of discovery, investigation, preparation for trial, professional or expert consultation and testimony). A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. The non-prevailing party shall also pay the attorneys' fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. Any such fees and costs incurred prior to judgment, award, or decree may be included in any judgment, award or decree entered in such proceeding in favor of the prevailing party. Any such fees, costs and expenses incurred by the prevailing party in enforcing a judgment, award or decree in its favor shall be recoverable separately from and in addition to any other amount included in such judgment, award or decree. This provision is separate and several and shall survive the merger of this Easement into any judgment on this Easement.

**20.12 Mortgage Liens Subordinate**. No provision of this Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any lien securing such loan (a "**Mortgage Lien**"), regardless of date, shall be subordinate to the terms of this Easement and Grantee's rights under this Easement. Under no circumstances may Grantee's rights be extinguished or otherwise affected by the recording, foreclosure, or any other action taken concerning any Mortgage Lien.

**20.13 Pre-Existing Water Rights**. In accordance with Section 12(e) of the Stipulation, this Easement does not impact the authority of third-party holders of water rights to exercise those rights.

**20.14 Table of Contents and Captions**. The table of contents and captions in this Easement have been inserted solely for convenience of reference and are not a part of this Easement and shall have no effect upon construction or interpretation.

**20.15 Incorporation of Recitals**. All Recitals are incorporated herein by this reference.

**20.16 List of Exhibits**. The following exhibits are attached hereto and incorporated herein by this reference:

<u>Exhibit A</u>	Property Description
<u>Exhibit B</u>	Description of Hydro Project Activities and Hydroelectric Facilities and Associated Water Delivery Facilities
<u>Exhibit C</u>	Hydro Reserved Rights
<u>Exhibit D</u>	Beneficial Public Values
<u>Exhibit E</u>	Insurance Requirements
<u>Exhibit F</u>	Prohibited Uses
<u>Exhibit G</u>	Hydro Operating Zone(s)
<u>Exhibit H</u>	Express Third Party Uses and Third Party Use Agreements
<u>Exhibit I</u>	Expressly Permitted Uses

**20.17 Counterparts.** This Easement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event of a discrepancy between counterparts, the recorded Easement shall be controlling.

[Signature page follows]

IN WITNESS WHEREOF, Grantor has granted to Grantee, and Grantee has accepted, this Easement, and the parties mutually agree to the terms and covenants set forth above, as of the Effective Date.

**GRANTOR:**

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

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

**GRANTEE:**

SHASTA LAND TRUST,  
a California non-profit public benefit  
corporation

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

Its: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT A**

**Legal Description of Property**

[Follows this page]

**EXHIBIT B**

**Description of Hydro Project Activities  
and  
Hydroelectric Facilities and Associated Water Delivery Facilities**

As used in this Easement, "**Hydro Project Activities**" are those existing and future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities (as defined below) now or hereafter located on, above, or under the Property, associated with the operation of the Pit 1 Federal Energy Regulatory Commission (FERC) Project, Project No. 2687, which provides water storage and delivery for Hydroelectric Facilities and shall include any future uses of the Property, and the existing and future Hydroelectric Facilities and Associated Water Delivery Facilities now or hereafter located on, above, or under the Property, associated with compliance with any future FERC License, FERC License renewal or other regulatory requirements.

As used in this Easement, "**Hydroelectric Facilities and Associated Water Delivery Facilities**" are those existing and future facilities, structures, buildings, and improvements now or hereafter located on, above, or under the Property, and associated with the operation of Pit 1 Federal Energy Regulatory Commission (FERC), Project No. 2687. including, but not limited to, the following existing and future improvements: powerhouse, water lines, electric transmission lines, and electric distribution lines and associated infrastructure facilities; facilities necessary for the operation of Powerhouses; improvements for existing and future water delivery and other requirements of power generation, transmission, distribution, and storage, for nonconsumptive and consumptive water use; bridges; electrical transmission lines, including distribution lines.

**EXHIBIT C**

**Hydro Reserved Rights**

Grantor's reserved rights on the Property include the following, which are expressly excluded from the transfer and conveyance of the easement granted in this Easement and reserved to Grantor:

Subject to the provisions of Section 7, the right to conduct Hydro Project Activities on the Property, including construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing and future Hydroelectric Facilities and Associated Water Delivery Facilities, including project replacements and improvements required for existing and future water delivery and other requirements for power generation, transmission, distribution, and storage, for nonconsumptive and consumptive water, and for communications in connection with the foregoing and for compliance with any future FERC License, FERC License renewal or other regulatory requirements. In furtherance of and without in any way limiting the generality of the foregoing, the following rights are expressly reserved:

(1) The right to conduct any and all uses and activities now or at any time in the future deemed necessary or appropriate by Grantor in Grantor's sole discretion exercised in good faith in connection with the generation of hydroelectric energy, including, but not limited to the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of existing Hydroelectric Facilities and Associated Water Delivery Facilities, and the construction, operation, repair, alteration, maintenance, removal, replacement and expansion of new Hydroelectric Facilities and Associated Water Delivery Facilities; and

(2) The right to use, maintain, establish, construct, alter, expand and improve water sources, courses, and bodies within the Property, and to take, divert, store, convey and appropriate water; and

(3) The right to increase or otherwise modify water diversion, storage and transmission capacities of Hydroelectric Facilities and Associated Water Delivery Facilities; and

(4) The right to exercise: all riparian water rights inherent in and part and parcel of the Property; all appropriative surface water rights (including, but not limited to, any appropriative surface water rights having a point of diversion, place of storage, or place of use on the Property); all prescriptive surface water rights; and all other right, title and interest of any nature whatsoever in and to the surface waters which are now or hereafter located or flowing on, under or abutting the Property; and

(5) The right to decommission all or any portion of existing and future Hydroelectric Facilities and Water Delivery Facilities in accordance with the applicable license issued by the FERC, or as otherwise allowed by Applicable Law; and

(6) The right to enlarge, improve, reconstruct, relocate and replace said Grantor's existing facilities and additional facilities with any other number, size, or type of transformers, poles, towers, or structures, or underground wires, cables, pipelines and conduits, or other devices and equipment either in the original location or at any location or locations within the Property; and

(7) The right to construct, operate, use, repair, alter, maintain, remove, replace and expand Grantor's existing and future facilities for transformation, transmission and distribution of electric energy and for communication purposes and also the rights to reconstruct, replace, remove, maintain and use the same as Grantor shall at any time and from time to time deem necessary in Grantor's sole discretion exercised in good faith, together with the rights to excavate for, construct, install, repair, reconstruct, replace, remove, maintain and use, at any time and from time to time, additional facilities for the transformation, transmission and distribution of electric energy and for communication purposes, consisting of such devices and equipment with suitable concrete pads and adequate protection therefore necessary for transforming electric energy, one or more lines of underground wires and cables (enclosed at Grantor's option within conduits), and one or more lines of towers, poles and/or other structures, wires and cables, including both underground and overhead ground wires, and all necessary and proper foundations, footings, cross arms and other appliances and fixtures for use in connection with said towers, poles and/or other structures, wires and cables.

**EXHIBIT D**

**Beneficial Public Values**

The Purpose of the Conservation Easement is to protect the Beneficial Public Values of the Property, as summarized below and described in more detail in the Baseline Documentation Report:

- (a) Habitat for fish, wildlife, and plants that are native to the area, including species protected under the California Endangered Species Act and/or the federal Endangered Species Act. The term "habitat" includes vegetation along banks and shorelines that contribute to maintaining watershed health. The term "native" refers to plants and animals that occur naturally on the Property and are defined as "native" by the California Department of Fish & Wildlife and its successors.
- (b) Forest resources on the Property. Forest resources consist of mixed conifer and riparian vegetation that provides protection for wildlife and fisheries.
- (c) The scenic viewshed of the Property in keeping with the surrounding environment, providing a contiguous forested landscape.
- (d) Outdoor recreation in the form of passive recreational pursuits such as hiking, fishing, sightseeing, rafting, boating, swimming, and picnicking.
- (e) Historical and cultural values, to the extent they are protected by state and federal law.
- (f) Agriculture in the form of grazing.

**EXHIBIT E**

**Grantee Insurance Requirements**

Grantee shall procure, carry and maintain the following insurance coverage:

**A. Workers' Compensation and Employers' Liability**

1. Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal.
2. Employers' Liability insurance shall not be less than One Hundred Thousand Dollars (\$100,000) for injury or death each accident.

**B. Commercial General Liability**

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
2. The limit shall not be less than One Million Dollars (\$1,000,000) each occurrence/ Two Million Dollars (\$2,000,000) aggregate for bodily injury, property damage and personal injury.
3. Coverage shall: a) By "Additional Insured" endorsement add as insureds Grantor, its directors, officers, agents and employees with respect to liability arising out of work performed by or for Grantee; b) Be endorsed to specify that Grantee's insurance is primary .

**C. Business Auto**

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage.

**D. Additional Insurance Provisions**

1. Upon change in carrier or coverage, or otherwise upon Grantor's request, Grantee shall furnish Grantor with certificates of insurance and endorsements of all required insurance for Grantee.
2. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to Grantor.

3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company  
Insurance Department - B24H  
Post Office Box 770000  
San Francisco, CA 94177

A copy of all such insurance documents shall be sent to Grantor's Land Agent as specified under Notices in the body of this Easement.

4. Upon request, not to exceed once annually, Grantee shall furnish Grantor complete copies of policies.
5. Upon request, not to exceed once annually, Grantee shall furnish Grantor the same evidence of insurance for Grantee's agents or contractors as Grantor requires of Grantee.

**EXHIBIT F**

**Prohibited Uses**

As provided in Section 6 of this Easement, Grantor will not engage in, or permit others to engage in, the following Prohibited Uses:

**1. Number of Fee Owners; Subdivision**

(a) **Limit on Number of Fee Owners**. Except for Specified Required Actions, notwithstanding the fact that the Property, at any time, might be comprised of more than three (3) separate legal parcels, fee title to the Property shall be held by no more than three (3) separate owners at any given time, provided, however, that the foregoing shall not prohibit undivided ownership of the Property by multiple owners (e.g. tenants in common), subject to the restrictions on the rights of undivided owners provided below, and the terms and conditions of this Easement shall perpetually apply to the Property as a whole. The existence of any separate legal parcels shall not be interpreted to permit any use or activity on an individual legal parcel that would not have been permitted on said parcel under the terms and conditions of this Easement as applied to the Property as a whole. This section only applies to conveyances of fee ownership and not to conveyances of any property interests other than fee ownership (e.g. leasehold interests). In respect to ownership of the Property or permitted separate legal parcels, as the case may be, ownership may be (among others) in the form of a partnership, limited partnership, limited liability company, corporation or other legal entity or as undivided interests such as tenants in common, whether by choice or by operation of any Applicable Laws, but no owner of an undivided interest shall thereby have (i) the right of exclusive occupancy or exclusive use of any separate portion of the Property (or permitted separate legal parcel), or (ii) any right to have the Property (or permitted separate legal parcel), partitioned in kind, whether pursuant to California Code of Civil Procedure §872.010 et seq. ("CCP") or any successor statute or otherwise. In the event that a partition action is brought and a court determines that the remedy of partition must be granted, Grantor, on behalf of itself and its successors and assigns hereby irrevocably agrees the remedy shall not be a physical subdivision of the Property (or permitted separate legal parcel), but instead may be a partition by appraisal pursuant to CCP §873.910 or any successor statute or a judicially supervised sale of Grantor's entire estate in the Property (or permitted separate legal parcel) pursuant to CCP §873.510 or any successor statute, subject, however, to this Easement, followed by a division of sales proceeds among the parties entitled thereto. Grantor recognizes that Grantee will incur direct and indirect costs for monitoring and administration of the Conservation Easement in the event fee title to a portion of the Property is transferred under this provision. Accordingly, upon Grantor's sale, transfer or conveyance of fee title to less than all of the Property in accordance with this subsection (a), Grantor shall pay, or cause to be paid, to Grantee a one-time payment of a sum representing the increased cost of such Conservation Easement stewardship, as reasonably determined at such time by Grantee. Such one-time payment shall be in addition to any reimbursements required pursuant to Section 13.2.4 or Section 17 of this Easement.

(b) Limit on Subdivision. Except for Specified Required Actions, Grantor shall not subdivide the Property with the result of frustrating the ownership restrictions set forth in subsection (a) above. For example, the following actions would not frustrate the ownership restrictions in subsection (a) above: (i) merger and reduction of the number of separate legal parcels comprising the Property; or (ii) reconfiguring by lot line adjustment the existing internal boundaries of legal parcels within the outer boundaries of the Property; or (iii) clarifying boundary lines with adjacent landowners; or (iv) subdivisions to facilitate Hydro Project Activities. Grantor shall (i) as part of the Annual Work Plan review in accordance with Section 7, or at least ninety (90) days prior to any Grantor subdivision activity (whether or not prohibited hereunder), furnish Grantee with the subdivision application or filings; and (ii) provide to Grantee reasonably sufficient information to identify the boundaries of each legal parcel. This information will become part of an update to the Baseline Documentation Report. At the election of either party, the parties shall execute and record an amendment of this Easement to reflect any change to the legal description of the Property set forth in Exhibit A or any other changes and allocations resulting from permitted subdivision that are not established to the reasonable satisfaction of the parties by recordation in the Public Records of the plan of subdivision approved under Applicable Law.

2. Development Rights. Except for Specified Required Actions provided in Section 7, the development rights associated with all or any portion of the Property may not be transferred to, or used or exercised in connection with, any property other than the Property, such rights of transfer, use and exercise being hereby terminated and extinguished in perpetuity. The phrase "development rights" means any and all rights, however designated, now or hereafter associated with the Property or any portion thereof that may be used pursuant to applicable zoning laws, land use laws or other governmental laws or regulations, to compute permitted size, height, bulk, or number of structures, development density, lot yield, or any similar development variable on or pertaining to the Property or any other property.

3. Mining and Drilling. There shall be no mining, drilling, removing, fracking, or exploring for or extracting of minerals, oil, gas, coal, or other hydrocarbons, soils, sands, gravel, loam, rocks or any other material on, under, or at the Property. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Specified Required Actions provided in Section 7;
- (b) Drilling, removal and extraction of soils, sands, gravel, loam, rocks or any other material on, under, or at the Property in connection with studies and testing to the extent related to Grantor's exercise of the Hydro Reserved Rights;
- (c) Testing, drilling and operating groundwater wells, and construction or placement of any structures or improvements within the Hydro Operating Zone to the extent related to Grantor's exercise of the Hydro Reserved Rights; and
- (d) The use of soil, sand, gravel and other similar material located on the Property as appropriate for road maintenance, erosion control and in connection

with a Required Action subject to the following limitations: (i) such disturbance shall be kept to the minimum necessary to exercise such rights, (ii) any such soils, sands, and other materials shall not be removed from the Property, and (iii) all such utilization activities shall be conducted in a manner that minimizes to the greatest extent practicable impacts to the Beneficial Public Values.

4. Construction and Placement of Structures and Improvements. There shall be no construction or placement of any structures or improvements on the Property, including (but not limited to) residential, industrial, office, or other buildings, underground or aboveground tanks. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Permitted Uses under Exhibit I;
- (c) Construction or placement of any structures or improvements within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights; and
- (d) Structures and improvements made in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values (including, for example, garbage enclosures, benches, and interpretive kiosks).

5. Vehicles. Except for Required Actions provided in Section 7, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no use of any motorized vehicles off of existing roadways on the Property except vehicles used as necessary to carry out prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values. Motorized off-road recreational use shall not constitute an activity "related to the protection or preservation of the Beneficial Public Values" as provided in the preceding sentence.

6. Dumping or Salvage. Except for Required Actions provided in Section 7, there shall be no dumping, storage or other disposal on the Property of soil, trash or garbage except for (a) refuse generated on the Property which may be disposed of on the Property on a temporary basis prior to its removal from the Property in areas where the Beneficial Public Values of the Property are not significantly impaired, or (b) compostable refuse generated on the Property which may be disposed of on the Property in a responsible manner which does not significantly impair the Beneficial Public Values of the Property. Except for Required Actions provided in Section 7, there shall be no dumping, storage (other than on a temporary basis) or other disposal of ashes, sludge, Hazardous Substances, or other unsightly or dangerous materials outside of the Hydro Operating Zone. Except for Required Actions provided in Section 7, there shall be no storage or disassembly of inoperable automobiles, trucks, or other

vehicles or equipment for purposes of sale, or rental of space for that purpose outside of the Hydro Operating Zone.

7. Non-Native Animal Species. Except for Required Actions provided in Section 7, there shall be no release anywhere on the Property of non-native animal species other than livestock without Grantee's prior written approval in accordance with Section 7, as required.

8. Vegetation. Except for Required Actions provided in Section 7, there shall be no removal, cutting or destruction on the Property of native vegetation except (a) in an emergency and/or for purposes of disease or insect control or (b) to prevent property damage, personal injury, or flooding or (c) as permitted in Exhibit I, Sections 4 and 9, or (d) with Grantee's prior written approval in accordance with Section 7, as required.

9. Roads and Trails. Except for Required Actions provided in Section 7 or as required to implement a Required Action, or in the case of an emergency or other occurrence affecting the safety of persons and/or property, there shall be no construction of any new roads or trails on the Property; provided, however, the construction of new roads and trails (or the relocation of existing road and trails) on the Property to protect, preserve or enhance the Beneficial Public Values shall be permitted with Grantee's prior written approval in accordance with Section 7, as required. As used herein, the term "construction" shall not include the creation of roads or trails through repeated use, although such activities shall be governed by this Easement.

10. Commercial Uses. There shall be no office, industrial, or other commercial use on the Property that is likely to significantly impair Beneficial Public Values. Notwithstanding the foregoing, the following shall not be Prohibited Uses:

- (a) Required Actions provided in Section 7;
- (b) Uses permitted by Third Party Use Agreements; and
- (c) Office, industrial, or other commercial uses within the Hydro Operating Zone which Grantor has determined relate to Grantor's exercise of the Hydro Reserved Rights.

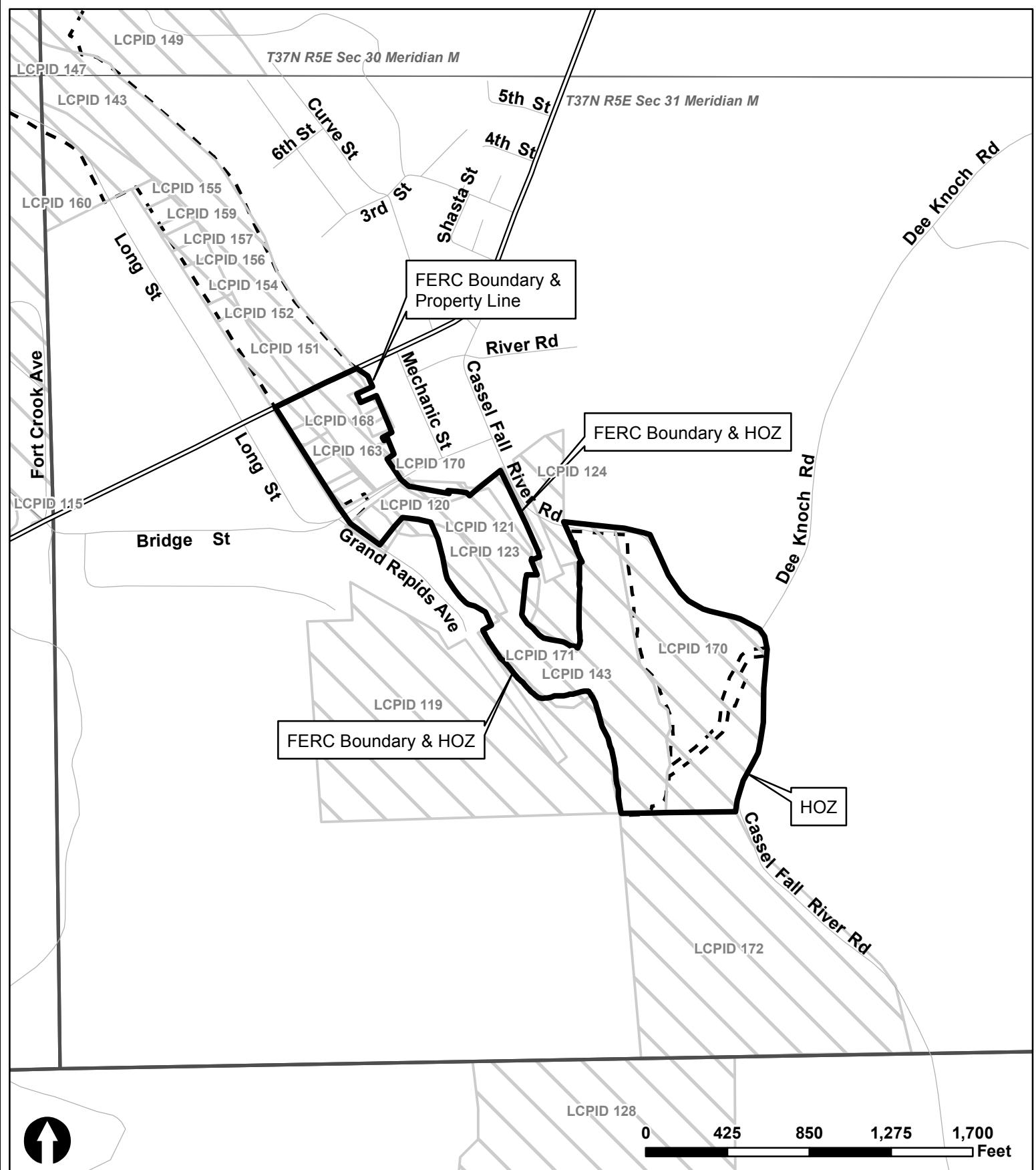
11. Alteration of Land or Excavation. Except for Required Actions provided in Section 7 or as otherwise explicitly permitted by the terms of this Easement, there shall be no filling, excavating, grading, draining or dredging outside of the Hydro Operating Zone, nor any change in the general topography of the Property; provided, however, such activities shall be permitted outside of the Hydro Operating Zone in the course of prudent and customary land management activities and/or to protect, preserve, or enhance the Beneficial Public Values.

12. Billboards. Except for Required Actions provided in Section 7 or permitted uses under Exhibit I or Grantee's signs permitted under Section 5.3, there shall be no placement of billboards or advertising facilities. The use of Grantor's logo and/or trade

style on a sign will not in and of itself constitute a billboard or advertising facility under this provision.

**EXHIBIT G**  
**Hydro Operating Zone**

[Follows this page]



## Exhibit G Fall River Mills

Hydro Operating Zone (HOZ)

 HOZ  
 FERC Boundary  
 DLP

**EXHIBIT H**

**Express Third Party Uses and Third Party Use Agreements**

**1. Express Third Party Uses**

The Express Third Party Uses on the Property are all uses permitted by and pursuant to the Third Party Use Agreements.

**2. Third Party Use Agreements**

Third Party Use Agreements on the Property are those agreements and rights disclosed by the following:

- A. License Agreement for Grazing Purposes dated January 1, 2018, between Pacific Gas and Electric Company and Don and Lani Martin.
- B.
  1. Letter agreement dated April 9, 2002, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  2. Letter agreement dated July 31, 2003, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  3. Letter agreement dated March 16, 2004, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  4. Letter agreement dated February 11, 2005, between Pacific Gas and Electric Company John Eilts and Linda Bowers.
  5. Letter agreement dated April 25, 2006, between Pacific Gas and Electric Company and John Eilts and Linda Bowers.
  6. First Amendment to License Agreement, dated April 1, 2007, between Pacific Gas and Electric Company and Linda Bowers.
  7. Second Amendment to License Agreement, dated June 1, 2010, between Pacific Gas and Electric Company and Linda Bowers.
  8. Third Amendment to Agreement, dated May 1, 2014, between Pacific Gas and Electric Company and Linda Bowers.
  9. Letter agreement dated February 14, 2020, between Pacific Gas and

Electric Company and Linda Bowers.

10. Letter agreement dated December 1, 2020, between Pacific Gas and Electric Company and Linda Bowers.

11. Fourth Amendment to License Agreement for Grazing Purposes, dated July 11, 2022, between Pacific Gas and Electric Company and Linda Bowers.

C. AN EASEMENT OVER SAID LAND FOR A RIGHT OF WAY ALONG THE MILL RACE AND INCIDENTAL PURPOSES, AS RESERVED BY I.H. WINTER, IN DEED RECORDED JANUARY 03, 1884, IN BOOK 12 OF DEEDS AT PAGE 165 SHASTA COUNTY RECORDS

AFFECTS: APN: 032-190-044

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

D. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY I.H. WINTER AND DE WINTER, IN INSTRUMENT RECORDED DECEMBER 03, 1896, IN BOOK 44 OF DEEDS, PAGE 644.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 361.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

F. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY DE WINTER AND I.H. WINTER, IN INSTRUMENT RECORDED JANUARY 27, 1888, IN BOOK 20 OF DEEDS, PAGE 267.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED

NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 316.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF

SAID EASEMENT.

G. AN EASEMENT OVER SAID LAND FOR CERTAIN WATER RIGHTS AS DESCRIBED THEREIN AND INCIDENTAL PURPOSES, AS RESERVED BY THE BANK OF SHASTA COUNTY AND DE WINTER, IN INSTRUMENT RECORDED AUGUST 29, 1900, IN BOOK 58 OF DEEDS, PAGE 197.

SAID RESERVATIONS WERE FURTHER AFFIRMED AS BEING TAKEN SUBJECT TO IN THE INSTRUMENT RECORDED

NOVEMBER 25, 1922, BOOK 153 OF DEEDS, PAGE 361.

AFFECTS: APN: 018-540-022

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

H. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO DIG, EXCAVATE, CONSTRUCT, REPAIR, MAINTAIN AND USE A PIPELINE FOR CONVEYING WATER AND INCIDENTAL PURPOSES, AS GRANTED TO CHARLES L. STRAUB AND DELILA STRAUB, HIS WIFE, IN DEED RECORDED FEBRUARY 13, 1923, IN BOOK 153 OF DEEDS AT PAGE 474 SHASTA COUNTY RECORDS.

AFFECTS: PGE# 2137-05-0162/APN: 018-540-12 PORTION

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

I. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO USE FOR POWER AND ALL OTHER PURPOSES EXCEPT IRRIGATION AND INCIDENTAL PURPOSES, AS RESERVED BY THE RED RIVER LUMBER COMPANY, A CORPORATION, IN DEED RECORDED MARCH 03, 1923, IN BOOK 153 OF DEEDS AT PAGE 499 SHASTA COUNTY RECORDS.

PGE# 2437-01-0084

AFFECTS: APN: 18-690-04, 18-700-09, 23-340-10, 23-360-14

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

J. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND INCIDENTAL PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED RECORDED FEBRUARY 09, 1928, IN BOOK 01 OF RIGHTS OF

WAY PAGE 257 SHASTA COUNTY RECORDS.

PGE# 2137-05-0140

AFFECTS: APN: 18-540-12 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

K. AN EASEMENT OVER SAID LAND FOR STATE HIGHWAY AND  
INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN  
DEED RECORDED OCTOBER 24, 1931, IN BOOK 68, PAGE 245 SHASTA  
COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0043

AFFECTS: APN: 18-540-12 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

L. AN EASEMENT OVER SAID LAND FOR HIGHWAY AND INCIDENTAL  
PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN INSTRUMENT  
RECORDED JULY 25, 1934, IN BOOK 64, PAGE 175, OFFICIAL RECORDS.

AFFECTS PARCELS 1, 3, 8 AND 9

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

M. ANY CLAIM, RIGHT OR INTEREST OF THE STATE OF CALIFORNIA OR  
THEIR SUCCESSORS IN INTEREST BY REASON OF THE INSTRUMENT  
RECORDED JULY 25, 1934 IN BOOK 64, PAGE 175, SHASTA COUNTY  
RECORDS, BEING INTERPRETED AS A CONVEYANCE OF FEE  
INTEREST RATHER THAN AN EASEMENT.

AFFECTS PARCELS 1, 3, 8 AND 9

N. AN EASEMENT OVER SAID LAND FOR THE CONSTRUCTION,  
MAINTENANCE AND USE OF A PUBLIC HIGHWAY AND INCIDENTAL  
PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED  
RECORDED DECEMBER 08, 1936, IN BOOK 2 OF RIGHTS OF WAY AT  
PAGE 19 SHASTA COUNTY OFFICIAL RECORDS.

PGE#2137-04-0069

AFFECTS: APN: 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

O. AN EASEMENT OVER SAID LAND FOR COUNTY ROAD AND INCIDENTAL  
PURPOSES, AS GRANTED TO COUNTY OF SHASTA, IN DEED  
RECORDED JULY 23, 1941, VOLUME 176 PAGE 478 SHASTA COUNTY  
OFFICIAL RECORDS.

PGE#2137-04-0071

AFFECTS APN 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

P. EASEMENTS OVER SAID LAND FOR

A.) A RIGHT OF WAY 40 FEET IN WIDTH

B.) THE RIGHT TO SELECT, ENCLOSE BY FENCES AND PERMIT  
LIVESTOCK TO CROSS OVER A STRIP OF REAL PROPERTY OF THE  
UNIFORM WIDTH OF 60 FEET

C.) THE RIGHT TO WATER SUCH LIVE STOCK IN THE WATERS OF SUCH  
INUNDATED PORTION OF THE AFORESAID STRIP OF LAND AND  
INCIDENTAL PURPOSES, AS RESERVED BY F.M. CALLISON AND  
WANDA CALLISON, IN INSTRUMENT RECORDED FEBRURY 25, 1947, IN  
BOOK 217, PAGE 493, OFFICIAL RECORDS.

AFFECTS: SEE DOCUMENT FOR FULL PARTICULARS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

Q. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO ERECT,  
CONSTRUCT, RECONSTRUCT, REPLACE, REMOVE, MAINTAIN AND USE  
A LINE OF POLES WITH SUCH WIRES AS FROM TIME TO TIME  
SUSPEND THEREFROM FOR THE TRANSMISSION AND DISTRIBUTION  
OF ELECTRIC ENERGY, AND FOR COMMUNICATION PURPOSES, AND  
ALL NECESSARY AND PROPER CROSSARMS, GUYS, ANCHORS AND  
OTHER APPLIANCES AND FIXTURES AND ALL RIGHTS INCIDENTAL  
THERETO, AS GRANTED TO THE CALIFORNIA OREGON POWER  
COMPANY, A CALIFORNIA CORPORATION, IN INSTRUMENT RECORDED

FEBRUARY 16, 1953, IN BOOK 394, PAGE 23, OFFICIAL RECORDS.

AFFECTS: SEE DOCUMENT FOR FULL PARTICULARS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

R. AN EASEMENT OVER SAID LAND FOR ROAD AND INCIDENTAL  
PURPOSES, AS GRANTED TO HARRY A. LOBENSTEEN, IN DEED  
RECORDED JANUARY 30, 1961, IN BOOK 656 PAGE 286 SHASTA  
COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0017

AFFECTS: APN 023-210-42

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

S. AN EASEMENT OVER SAID LAND TO CONSTRUCT, MAINTAIN AND USE  
A ROAD AND INCIDENTAL PURPOSES, AS GRANTED TO VERNON B.  
ROYCE, IN DEED RECORDED FEBRUARY 20, 1968, IN BOOK 944 PAGE  
418 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0190

AFFECTS: APN: 23-210-44 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

T. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND  
INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN  
DEED RECORDED APRIL 20, 1971, IN BOOK 1064 PAGE 455 SHASTA  
COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0241

AFFECTS: APN 23-210-16, 20 AND 57 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

U. AN EASEMENT OVER SAID LAND FOR PUBLIC HIGHWAY AND  
INCIDENTAL PURPOSES, AS GRANTED TO STATE OF CALIFORNIA, IN  
DEED RECORDED NOVEMBER 08, 1976, IN BOOK 1376 PAGE 524

SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0242

AFFECTS: APN 23-210-16 AND 20

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

V. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT,  
MAINTAIN AND USE A ROAD AND INCIDENTAL PURPOSES, AS  
GRANTED TO PAULINE L. ROYCE, IN DEED RECORDED DECEMBER 21,  
1976, IN BOOK 1386 PAGE 402 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2136-04-0263

AFFECTS: APN 23-360-14

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

W. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT,  
MAINTAIN, AND USE A DITCH FOR CONVEYING WATER TOGETHER  
WITH RELATED FACILITIES TO BE USED IN CONNECTION THEREWITH  
AND TO ENCLOSE WITH A FENCE AND INCIDENTAL PURPOSES, AS  
GRANTED TO KNOCH AND SONS CATTLE RANCH, INC., A  
CORPORATION, IN DEED RECORDED MARCH 31, 1977, IN BOOK 1411  
PAGE 162 AND RECORDED JANUARY 20, 1978, IN BOOK 1490 PAGE 369  
SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0362

AFFECTS: APN 18-540-21 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

X. AN EASEMENT OVER SAID LAND TO EXCAVATE FOR, CONSTRUCT,  
RECONSTRUCT, INSTALL, LAY, USE, OPERATE, INSPECT, REPAIR,  
MAINTAIN, REPLACE AND REMOVE UNDERGROUND SEWAGE  
FAICLITIES STRUCTURE AND INCIDENTAL PURPOSES, AS GRANTED  
TO FALL RIVER MILLS COMMUNITY SERVICES DISTRICT, IN DEED  
RECORDED SEPTEMBER 18, 1981, IN BOOK 1839 PAGE 235 SHASTA  
COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0135

AFFECTS: APN 18-540-12 AND 32-190-33 WITH OTHER PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

Y. AN EASEMENT OVER SAID LAND TO CONSTRUCT, RECONSTRUCT,  
MAINTAIN AND USE A ROAD STRUCTURE AND INCIDENTAL  
PURPOSES, AS GRANTED TO FALL RIVER ASSOCIATES, A  
PARTNERSHIP, IN DEED RECORDED MARCH 17, 1982, IN BOOK 1876  
PAGE 677 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-05-0394

AFFECTS: APN 18-550-03

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

Z. AN EASEMENT OVER SAID LAND TO LOCATE, CONSTRUCT, USE,  
MAINTAIN, IMPROVE, RELOCATE AND REPAIR A ROAD AND  
INCIDENTAL PURPOSES, AS GRANTED TO UNITED STATES OF  
AMERICA, IN DEED RECORDED DECEMBER 09, 1985, IN BOOK 2197  
PAGE 170 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0273

AFFECTS: PORTION APN OF 23-210-61 AND 23-340-27

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

AA. THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE  
INSTRUMENT ENTITLED "AGREEMENT", BY AND BETWEEN PACIFIC  
GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, AND  
KENNY R. HEFFLEY AND PAMELA M DEWITT, DATED DECEMBER 05,  
1986, RECORDED DECEMBER 10, 1986, IN BOOK 2276, PAGE 827,  
OFFICIAL RECORDS.

AFFECTS APN: 018-540-012

BB. THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE  
INSTRUMENT ENTITLED "EASEMENT AGREEMENT", BY AND BETWEEN  
PACIFIC GAS AND ELECTRIC COMPANY , A CALIFORNIA

CORPORATION, AND MALACHA HYDRO LIMITED PARTNERSHIP, DATED DECEMBER 12, 1988, RECORDED DECEMBER 20, 1988, IN BOOK 2450 PAGE 877 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0336

AFFECTS APN: 023-340-027 AND 26

CC. AN EASEMENT OVER SAID LAND FOR ROAD AND UTILITY AND INCIDENTAL PURPOSES, AS GRANTED TO SHASTA COUNTY, IN INSTRUMENT RECORDED OCTOBER 01, 1991, IN BOOK 2768, PAGE 669, OFFICIAL RECORDS.

AFFECTS: APN: 018-540-012

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

DD. AN "IRREVOCABLE OFFER TO DEDICATE" AFFECTING A PORTION OF SAID LAND FOR PUBLIC PURPOSES AND INCIDENTAL PURPOSES, IN FAVOR OF COUNTY OF SHASTA, IN A DOCUMENT RECORDED AUGUST 12, 1998, IN BOOK 3736 PAGE 82, OFFICIAL RECORDS.

PGE# 2137-04-0335

AFFECTS: APN: 23-210-60

EE. TERMS, CONDITIONS AND PROVISIONS OF THE NOTICE OF APPROVAL OF A WAIVER OF PARCEL MAP #19-95 RECORDED JUNE 8, 1998, IN BOOK 3704 PAGE 782, SHASTA COUNTY RECORDS ALSO RECORDED AUGUST 27, 1998, IN BOOK 3742 AT PAGE 778 SHASTA COUNTY RECORDS, ALSO RECORDED JANUARY 28, 1999, IN BOOK 3816 AT PAGE 462 SHASTA COUNTY RECORDS, SAID DOCUMENT WAS RECORDED TO AMEND THE APPROVAL DATE OF THE HEREINABOVE DESCRIBED DOCUMENT.

PGE# 2137-04-0335

AFFECTS APN 23-340-27 AND 61

FF. AN EASEMENT OVER SAID LAND FOR EXISTING FACILITIES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY AND COMMUNICATION ETC AND ROAD EASEMENTS AND INCIDENTAL PURPOSES, AS GRANTED TO PIT RIVER LODGE, LLC AND RESERVED BY PACIFIC GAS AND ELECTRIC COMPANY , A CALIFORNIA

CORPORATION, IN DEED RECORDED FEBRUARY 05, 1999,  
INSTRUMENT NO. 1999-0004972 SHASTA COUNTY RECORDS.

PGE# 2137-04-0306

AFFECTS APN 23-210-61, WITH OTHER PROPERTY

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
EASEMENT

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

GG. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO EXCAVATE FOR  
INSTALL, REPLACE, MAINTAIN AND USE SAID WATER STORAGE TANKS  
AND PIPELINES, ETC AND INCIDENTAL PURPOSES, AS GRANTED TO  
PIT RIVER LODGE LLC , A CALIFORNIA CORPORATION, IN DEED  
RECORDED FEBRUARY 05, 1999, INSTRUMENT NO. 1999-0004973  
SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0290

AFFECTS APN: 23-340-27

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
DOCUMENTS

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF  
SAID EASEMENT.

HH. AN EASEMENT OVER SAID LAND FOR THE RIGHT TO LANDSCAPE, TO  
EXCAVATE FOR, INSTALL REPLACE, MAINTAIN AND USE SUCH  
SPRINKLER PIPELINES FOR CONVEYING WATER, TOGETHER WITH A  
RIGHT OF WAY AND INCIDENTAL PURPOSES, AS GRANTED TO PIT  
RIVER LODGE, LLC, IN DEED RECORDED FEBRUARY 05, 1999,  
INSTRUMENT NO. 1999-0004974 SHASTA COUNTY OFFICIAL RECORDS.

PGE# 2137-04-0289

AFFECTS APN: 23-340-27

TERMS AND PROVISIONS OF THE HEREINABOVE DESCRIBED  
DOCUMENT

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF

SAID EASEMENT.

II. THE ENCROACHMENT OF POLE LINES AND OVERHEAD UTILITIES AS DISCLOSED BY SURVEY DATED JUNE 25, 2015, JOB #2263.06 FROM PACE ENGINEERING.

AFFECTS: SECTIONS 18, 19 TOWNSHIP 37 NORTH, RANGE 3 EAST; SECTIONS 24, 25 TOWNSHIP 37 NORTH RANGE 4 EAST

JJ. EASEMENTS OVER SAID LAND FOR ACCESS AND ELECTRICAL PURPOSES AND INCIDENTAL PURPOSES GRANTED TO FALL RIVER RESOURCE CONSERVATION DISTRICT, A SPECIAL DISTRICT OF THE STATE OF CALIFORNIA, IN GRANT DEED AND RESERVATIONS OF RIGHTS AND EASEMENTS AND GRANT OF ACCESS EASEMENT RECORDED DECEMBER 29, 2020, (INSTRUMENT) 2020-0047322, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

LL. A COVENANT TO RESTRICT USE OF PROPERTY, ENVIRONMENTAL RESTRICTION, BY PACIFIC GAS AND ELECTRIC COMPANY RECORDED MAY 31, 2022 AS INSTRUMENT NO. 2022-0017168 OFFICIAL RECORDS, SUBJECT TO THE TERMS AND CONDITIONS AS CONTAINED THEREIN.

MM. EASEMENTS FOR ACCESS AND INCIDENTAL PURPOSES AS GRANTED TO THE PIT RIVER TRIBE IN THAT CERTAIN GRANT DEED AND RESERVATION OF RIGHTS AND EASEMENTS AND GRANT OF ACCESS EASEMENT RECORDED JUNE 24, 2022 AS INSTRUMENT NO. 2022-0019750 OFFICIAL RECORDS, SUBJECT TO THE TERMS AND PROVISIONS AS CONTAINED THEREIN.

**EXHIBIT I**

**Permitted Uses**

The following are Permitted Uses:

1. The Express Third Party Uses.
2. The uses and activities expressly permitted under Exhibit F.
3. Except as otherwise limited by this Easement, the right to sell, encumber, or otherwise transfer the Property, portions thereof, or interests therein, to anyone Grantor chooses.
4. The right to trim and cut down and clear away any and all trees, brush and vegetation (a) which constitute a hazard to persons or property, and/or (b) for purposes of fire management, disease or insect control or otherwise as necessary or appropriate for prudent land management (i.e., not motivated by commercial benefit), and/or (c) for other vegetation management operations, including but not limited to fuel reduction projects, thinning of tree stands and meadow restoration projects. The foregoing may include pesticide use to control vegetation (brush, grass, weeds, etc.) and/or insects.
5. Consistent with Section 9.2, the right to install, maintain, repair, replace and maintain gates and fences.
6. The right to perform all activities required to comply with any and all Applicable Laws.
7. The right to maintain, repair, restore, replace and reconstruct all structures and improvements now or hereafter located on the Property, provided any replacement structures or improvements shall be located in substantially the same location and within the same footprint as the structure or improvement being replaced, and shall be substantially the same height as the structure or improvement being replaced.
8. The right to install minor, temporary structures necessary or appropriate in connection with the performance of prudent and customary land management activities, Hydro Project Activities, or the protection, preservation, or enhancement of the Beneficial Public Values.
9. (a) The right to undertake commercial and/or non-commercial forest management activities on the Property for any of the following purposes: (1) to promote the health and sustainability of the Property's natural resources; (2) to protect and enhance the Property's riparian resources; (3) to maintain an ecologically appropriate species mix of overstory and understory vegetation; (4) to protect and enhance wildlife habitat for native species historically present on the Property; (5) to protect cultural resources on the Property; (6) to control invasive and non-native vegetation; and (7) to

prevent, mitigate, and/or respond to any natural disaster (such as wildfire, significant insect and disease outbreak, or significant wind damage).

(b) Forest management activities for the purposes outlined in Paragraph (a) may include, but shall not be limited to, timber harvesting; salvage logging; conversion of vegetation types; prescribed fire; pre-commercial and commercial thinning of conifer and hardwood trees; fuels management; tree planting; control of undesirable vegetation and pests; habitat maintenance and enhancement; and road and watercourse crossing construction, maintenance, repair, and enhancement. Grantor shall carry out all such forest management activities in compliance with Applicable Law.

(c) Grantor shall provide to Grantee any existing or future forest management plan as part of the Annual Work Plan review process pursuant to Section 7.3 of this Easement. Grantor and Grantee shall review and discuss such plan (along with any proposals Grantee may have regarding this Permitted Use by Grantor pursuant to Section 7.3.4(b) of this Easement) periodically as part of such Annual Work Plan review process. Said forest management plan shall be updated periodically, as appropriate.

10. The right to construct, reconstruct, replace, remove, maintain and use the types of facilities and improvements described in paragraph (7) of Exhibit C that are unrelated to Hydro Project Activities and do not constitute a Required Action provided that such facilities shall be subject to Grantee's approval in the manner provided for Discretionary Actions.

11. In accordance with Applicable Laws, the right to control or eliminate noxious weeds and non-native plant species on the Property, and the right to control animals that (a) pose or threaten to pose a hazard to persons or property, including Hydroelectric Facilities and Associated Water Delivery Facilities, or (b) adversely impact or threaten to adversely impact (i) one or more of the Beneficial Public Values, (ii) Grantor's Hydro Reserved Rights or Hydro Project Activities, (iii) the Hydroelectric Facilities and Associated Water Delivery Facilities, or (iv) an Express Third Party Use.

12. The right to erect reasonably sized signs (illuminated and non-illuminated) to support and manage safety and permitted uses of the Property, including signs regarding authorized and unauthorized entry and uses or other appropriate markers in prominent locations on the Property, such as boundary fences, trails, and access roads.

## **Attachment C**

State Board of Equalization Statement of No Tax Benefit



STATE BOARD OF EQUALIZATION  
PROPERTY TAX DEPARTMENT  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0061  
1-916-274-3270 • FAX 1-916-285-0132  
www.boe.ca.gov

TED GAINES

First District, Sacramento

MALIA M. COHEN, CHAIR

Second District, San Francisco

ANTONIO VAZQUEZ

Third District, Santa Monica

MIKE SCHAEFER, VICE CHAIR

Fourth District, San Diego

BETTY T. YEE

State Controller

December 1, 2022

Ms. Becky Zhu  
Manager, State and Local Tax  
Pacific Gas and Electric Company SBE #0135  
Tax Department, Mail Code B12G  
PO Box 7054  
San Francisco, CA 94120-7054

YVETTE M. STOWERS  
Executive Director

Re: Fall River Mills Easement Valuation

Dear Ms. Zhu:

In your email dated December 1, 2022, you requested written guidance from the State Board of Equalization (SBE) State-Assessed Properties Division as to the SBE's valuation method and assessment, in dollar value, associated with Pacific Gas and Electric Company's (PG&E) conveyance of a conservation easement to the Shasta Land Trust. You specified the subject property is located in Shasta County and described by SBE numbers:

135-45-19A-6	135-45-31-2	135-45-33C-3	135-45-72-4	135-45-81A-2	135-45-83B-16
135-45-19A-7	135-45-31-3	135-45-33C-4	135-45-74-1	135-45-81A-3	
135-45-24-4	135-45-31A-5	135-45-33C-5	135-45-74-2	135-45-81A-4	
135-45-27A-1	135-45-31-6	135-45-33C-7	135-45-74-3	135-45-81A-5	
135-45-27B-1	135-45-31E-1	135-45-35B-1	135-45-74-4	135-45-81A-6	
135-45-28D-2	135-45-31E-2	135-45-37G-1	135-45-75-1	135-45-82-1	
135-45-30A-2	135-45-33C-1	135-45-72-2	135-45-79A-1	135-45-83A-17	
135-45-31A-1	135-45-33C-2	135-45-72-3	135-45-81A-1	135-45-83B-15	

As background, under Article XIII, Section 19 of the State Constitution provides the State Board of Equalization the authority to annually assess properties owned or used by companies transmitting or selling gas and electricity.

The SBE's assessment of the conservation easement on the subject parcels will be included in the full fee assessment to PG&E as they will continue to own the property in fee. There will be no separate valuation assessment of the conservation easement. Therefore, no change in assessed value is anticipated for future lien dates as a result of the conveyance of the conservation easement.

Sincerely,

Jason M. Ybarra  
Supervising Property Appraiser  
State-Assessed Properties Division

**Stewardship Council's List of Individuals and Entities to Whom it has Provided Notice Regarding Fall River Mills (Retained)**

OWNER	CARE OF	MAIL ADDRESS	CITY, STATE & ZIP CODE
<b>WITHIN A MILE MAILING</b>			
SEE ATTACHED			
<b>WATER AGENCY MAILING</b>			
Burney Water District		20222 Hudson St	Burney, CA 96013
Fall River Mills CSD		24850 3rd St	Fall River Mills CA 96028
Sanford Vina Irrigation District		P.O. Box 248	Vina, CA 96092
<b>BOARD OF SUPERVISORS MAILING</b>			
Les Baugh	Shasta County- District 5	1450 Court St., Suite 308B	Redding, CA 96001-1673
Joe Chimenti	Shasta County- District 1	1450 Court St., Suite 308B	Redding, CA 96001-1673
Leonard Moty	Shasta County- District 2	1450 Court St., Suite 308B	Redding, CA 96001-1673
Mary Rickett	Shasta County- District 3	1450 Court St., Suite 308B	Redding, CA 96001-1673
Steve Morgan	Shasta County- District 4	1450 Court St., Suite 308B	Redding, CA 96001-1673
<b>NATIVE AMERICAN TRIBAL MAILING</b>			
Agnes Gonzalez, Chairperson	Pit River Tribe	36970 Park Ave	Burney, CA 96013-4072
Jack Potter Jr. , Chairman	Redding Rancheria	2000 Redding Rancheria Road	Redding, CA 96001-5528
Roy V. Hall, Jr, Chairpoerson	Shasta Nation	P.O. Box 1054	Yreka, CA 96097
Caleen Sisk-Franco Tribal Chair	Winnemem Wintu Tribe	14840 Bear Mountain Road	Redding, CA 96003
Wade McMaster, Chairperson	Wintu Tribe of Northern California	P.O. Box 995	Shasta Lake, CA 96019
Robert Burns, Chairperson	Wintun Educational and Cultural Coun	P.O. Box 483	Hayfork, CA 96041
John Hayward, Chairperson	Nor-Rel-Muk Wintu Nation	PO Box 1967	Weaverville, Ca 96093
Howard Wynant		PO Box 43	Macdoel, Ca 96058
<b>CITIES/TOWNS AFFECTED MAILING</b>			
None			
<b>INDIVIDUALS &amp; ENTITIES WHO SUBMITTED COMMENTS</b>			
Mike Vandeman	<a href="mailto:mjvande@pacbell.net">mjvande@pacbell.net</a>		
Katie Solorio - Shingle Springs Miwok	<a href="mailto:ksolorio@ssband.org">ksolorio@ssband.org</a>		
Tom Jones	<a href="mailto:mrtomjones3@gmail.com">mrtomjones3@gmail.com</a>		
<b>INDIVIDUALS &amp; ENTITIES WHO SPOKE AT BOARD MEETING ON JUNE 24, 2020</b>			
None			

**Stewardship Council's List of Individuals and Entities to Whom it has Provided Notice Regarding Fall River Mills (Retained)**

<b>OTHER ORGANIZATIONS THAT SUBMITTED AN LSP ON THE FALL RIVER MILLS PLANNING UNIT</b>			
Fall River Valley Community Services District			
Pit River Tribe			
Bureau of Land Management			
Fall River Resource Conservation District			

JERRY VERNON BONHAM	11130 FOREST DR	ANCHORAGE	AK	99516
MARNIE CHAPMAN	2810 SAWMILL CREEK RD	SITKA	AK	99835
LEONARD L GROVE	PO BOX 298171	WASILLA	AK	99629
GELSO DOC & MARY FAMILY 1993 REV TRUST	1277 W STONE FOREST PL	ORO VALLEY	AZ	85755
CARLTON MERRITT	1546 PARK ST	ALAMEDA	CA	94501
ALMAJEANNE MELLO	16860 HAWTHORNE AVE	ANDERSON	CA	96007
ARTHUR DEAN DURBIN	3134 ASTER ST	ANDERSON	CA	96007
AURELIA RAGLIN	3528 BELLEROCK DR	ANDERSON	CA	96007
ELISABETH A ROSEN	4012 TAWNY MEADOW WAY	ANTELOPE	CA	95843
MICHAEL FREDERICK	PO BOX 573	ATASCADERO	CA	93423
JONES FAMILY TRUST ETAL	12331 INCLINE DR	AUBURN	CA	95603
MICHAEL S ARTZ	14916 DAVID CT	BAKERSFIELD	CA	93314
GARY R & MOREIRA TELMA B LEVENHAGEN	919 BOLTON CIR	BENICIA	CA	94510
PARKS FAMILY TRUST	311 DURHAM CT	BENICIA	CA	94510
MARLENE CRISS	PO BOX 254	BIEBER	CA	96009
MOUNTAIN VALLEYS HEALTH CENTER INC	PO BOX 277	BIEBER	CA	96009
ROBIN D & CINDY L HARBERT	PO BOX 128	BIEBER	CA	96009
ANDREA M & CHRISTOPHER W HIDALGO	883 INVERNESS CT	BRENTWOOD	CA	94513
TIMOTHY LEE & MARY E JENKINS	PO BOX 599	BROWNS VALLEY	CA	95918
RAYMOND D & BARBARA A FORREST	6 LA MESA CT	BURLINGAME	CA	94010
ALVINA LIVING TRUST	37200 WASHBURN AVE	BURNEY	CA	96013
DONNA R SYLVESTER	P O BOX 189	BURNEY	CA	96013
FORT CROOK MASONIC BLDG ASSN	37140 MAIN ST #	BURNEY	CA	96013
GERARDO VARGAS	37468 CYPRESS AVE	BURNEY	CA	96013
HAL & BOBBY GILMORE	PO BOX 187	BURNEY	CA	96013
JOHN E THOMPSON	PO BOX 394	BURNEY	CA	96013
NORRIS 2011 TRUST	26917 CAYTON VALLEY RD	BURNEY	CA	96013
PITT RIVER NATION	36970 PARK AVE	BURNEY	CA	96013
ROMAN CATHOLIC BISHOP OF SAC	PO BOX 160	BURNEY	CA	96013
SHELBY A BRAZZI	38078 PRIDEMORE RD	BURNEY	CA	96013
LARRY R WILLMORE	36236 CLARK CREEK RD	BURNEY	CA	96013
CRUM FAMILY TRUST	7358 SEAFARER PL	CARLSBAD	CA	92011
CAROLYN M SEP PROP MCMANIGAL	4725 DOVERCOURT CIR	CARMICHAEL	CA	95608
MARK L RYNESS	39971 CASSEL DR	CASSEL	CA	96016
JON & TERRI NEWCOMB	PO BOX 640	CASTROVILLE	CA	95012
MYCHAL S LAHEY	PO BOX 366	CHICO	CA	95927
TRI COUNTIES BANK	15 INDEPENDENCE CIR	CHICO	CA	95973
TRI COUNTIES BANK	63 CONSTITUTION DR	CHICO	CA	95973
ROBIN ROCKY BLOOM	PO BOX 3559	CLEARLAKE	CA	95422
LANE TRUST	60 GATEWAY AVE	CLOVIS	CA	93612
GAYA FAMILY TRUST	818 WILMORE AVE	CONCORD	CA	94518
EUGENE L & JEANNE A WRIGHT	24105 ORANGEWOOD RD	CORNING	CA	96021
KENNETH L & KAREN A BEDSAUL	5520 JANINE WAY	CORNING	CA	96021
AMANDA HYMAN CARLES	8460 LORETO AVE	COTATI	CA	94931
JOHNSON REV LIVING TRUST	2732 BELLows ST	DAVIS	CA	95618
JEREMIAH SETH & CRYSTAL LEE BRITTEN	PO BOX 733	DURHAM	CA	95938
OLSEN TRUST	9325 KILCOLGAN WAY	ELK GROVE	CA	95758
ROBERT W & TERESA BLANCHARD	310 RAFAEL DR	ELVERTA	CA	95626
THEODORE H & LUDMILLA FIEGUTH	500 SUMMIT DR	EMERALD HILLS	CA	94062
CHAD & RACHEL MARICICH	600 ZINFANDEL DR	ESCALON	CA	95320
KATE BIGELOW	25851 DECK RD	ESCALON	CA	95320
KIRSTEN M PETERSEN	831 MADRONE AVE	EUREKA	CA	95503
DONALD S & CHERYL M 2009 LIV SMITH	43392 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
A & M FAM LAKEY	PO BOX 682	FALL RIVER MILLS	CA	96028
AARON HERO	PO BOX 933	FALL RIVER MILLS	CA	96028
ABBEY J BURNAM	PO BOX 221	FALL RIVER MILLS	CA	96028
ABEL & FRANCISCA I MARIN	PO BOX 562	FALL RIVER MILLS	CA	96028
ALAN & CINDY WHYTE	PO BOX 57	FALL RIVER MILLS	CA	96028
ALICE J CONLEY	PO BOX 231	FALL RIVER MILLS	CA	96028
AMY M PUTNAM	PO BOX 592	FALL RIVER MILLS	CA	96028
ANDREW G BENTZ	PO BOX 1021	FALL RIVER MILLS	CA	96028
ANTHONY K & MONICA K LOMMEN	23570 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
ARBOGAST FAMILY TRUST A ETAL	42750 UTE CT	FALL RIVER MILLS	CA	96028
ARGENT C HALE	PO BOX 303	FALL RIVER MILLS	CA	96028
ARTIE HEFFLEY	PO BOX 382	FALL RIVER MILLS	CA	96028
AUGUST R LOEFFLER	PO BOX 2	FALL RIVER MILLS	CA	96028
B G & JOANNE BROEMMEL	25443 GLENBURN RD	FALL RIVER MILLS	CA	96028
BARBARA BASSETT	43222 HIGHWAY 299 E	FALL RIVER MILLS	CA	96028
BAUTISTA CASTANEDA MARCIANO	PO BOX 1033	FALL RIVER MILLS	CA	96028
BAUTISTA CASTANEDA MARCIANO	43195 6TH ST	FALL RIVER MILLS	CA	96028
BICKFORD FAMILY REVOCABLE TRUST	43721 HWY 299 E	FALL RIVER MILLS	CA	96028
BIG KAHUNA BURGER LLC	PO BOX 426	FALL RIVER MILLS	CA	96028
BILLY D DURBIN	PO BOX 623	FALL RIVER MILLS	CA	96028
BOBBIE J DEWITT	PO BOX 183	FALL RIVER MILLS	CA	96028
BRADLEY SCHNEIDER	43098 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
BRANDAN & ELIZABETH MEE	PO BOX 211	FALL RIVER MILLS	CA	96028
BRIGGS FAMILY TRUST	PO BOX 532	FALL RIVER MILLS	CA	96028
BRIGID DOYLE	43509 HWY 299E	FALL RIVER MILLS	CA	96028
BROWN FAMILY TRUST	PO BOX 276	FALL RIVER MILLS	CA	96028
BROWN FAMILY TRUST	PO BOX 401	FALL RIVER MILLS	CA	96028
CECIL D & ANITA E RAY	PO BOX 681	FALL RIVER MILLS	CA	96028
CESSNA FAMILY TRUST	PO BOX 213	FALL RIVER MILLS	CA	96028
CHARLES & GLADYS COTUGNO	23616 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
CHARLOTTE M WINN	PO BOX 452	FALL RIVER MILLS	CA	96028
CHARLOTTE M WINN	PO BOX 93	FALL RIVER MILLS	CA	96028
CHRIS A & CAROL M MUNOZ	PO BOX 513	FALL RIVER MILLS	CA	96028
CHRIS E BREWSTER	39959 JIM BREWSTER RD	FALL RIVER MILLS	CA	96028
CHRISTOPHER & SYLVIA LOWERY	23523 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
CLAUDIA N ANDRADE	PO BOX 263	FALL RIVER MILLS	CA	96028
CLAUDIA N ANDRADE	PO BOX 892	FALL RIVER MILLS	CA	96028
CLAYTON & STEFANIE JACOBSON	24765 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
COCKRUM TRUST	43263 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
CODY MACABE	PO BOX 331	FALL RIVER MILLS	CA	96028
COLBY 2008 LIVING TRUST	PO BOX 388	FALL RIVER MILLS	CA	96028
COLIN E & HEATHER M CORR	PO BOX 272	FALL RIVER MILLS	CA	96028
COMMUNITY METHODIST CHURCH	PO BOX 280	FALL RIVER MILLS	CA	96028
CRAIG & ROBYN SCHNEIDER	25403 GLENBURN RD	FALL RIVER MILLS	CA	96028
CRAIG M & DEBORAH JACKSON	PO BOX 503	FALL RIVER MILLS	CA	96028
DALE & FAYE WONDER	43594 STATE HWY	FALL RIVER MILLS	CA	96028
DALE A & CORENA J DRAGO	PO BOX 16	FALL RIVER MILLS	CA	96028
DANNY R PASCHALL	PO BOX 508	FALL RIVER MILLS	CA	96028
DAVID & BARBARA SHAFFER	PO BOX 185	FALL RIVER MILLS	CA	96028
DAVID A & MICHELLE E AGEE	25116 8TH ST	FALL RIVER MILLS	CA	96028
DAVID A HALL	PO BOX 912	FALL RIVER MILLS	CA	96028
DAVID FAMILY TRUST	43170 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
DAVID L DEAN	PO BOX 23	FALL RIVER MILLS	CA	96028
DAVID W HALL TR	PO BOX 544	FALL RIVER MILLS	CA	96028

DEBORAH ELLIS MARCUM		41341 BROWN RD	FALL RIVER MILLS	CA	96028
DEBRA & FRANK STONE		PO BOX 455	FALL RIVER MILLS	CA	96028
DELIA VARGAS		43188 BRIDGE ST	FALL RIVER MILLS	CA	96028
DENNIS C & ELSIE M PATTERSON		24956 WINDCHIME DR	FALL RIVER MILLS	CA	96028
DENNIS FAMILY REVOCABLE TRUST	DANIEL & DEBRA L DENNIS TRS	PO BOX 615	FALL RIVER MILLS	CA	96028
DENNIS M JACOBSEN	DENNIS M JACOBSEN TR	28076 SPRING CREEK RD	FALL RIVER MILLS	CA	96028
DENNY LEE KASK		PO BOX 650	FALL RIVER MILLS	CA	96028
DIXIE L ROGERS	DIXIE L ROGERS & ADONICA SUE MCGARR TRS	PO BOX 989	FALL RIVER MILLS	CA	96028
DON D TUCKER	DON D TUCKER TR	23821 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
DON M & CAROL S HEIL		PO BOX 1160	FALL RIVER MILLS	CA	96028
DONALD BURNETTE		43123 6TH ST	FALL RIVER MILLS	CA	96028
DONALD H & SALLY CANRIGHT		PO BOX 547	FALL RIVER MILLS	CA	96028
DONNA LEE & RUSSELL TINA LOUISE VIGOLI		PO BOX 571	FALL RIVER MILLS	CA	96028
DOROTHY P SCHOLL		PO BOX 216	FALL RIVER MILLS	CA	96028
DUNZWEILER FAMILY REV TRUST	DALE D & KAREN L DUNZWEILER TRS	43340 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
ELIZABETH & JORAANSTAD LUKE HAYDOCK		PO BOX 432	FALL RIVER MILLS	CA	96028
ERIC PERRY & YOSHIOKA SATO ZIMMERMAN		PO BOX 105	FALL RIVER MILLS	CA	96028
ERIC WEAR		PO BOX 962	FALL RIVER MILLS	CA	96028
EVELYN O ROYCE ART CENTER INC		PO BOX 524	FALL RIVER MILLS	CA	96028
FALL RIVER MILLS COMMUNITY	SERVICES DIST	PO BOX 277	FALL RIVER MILLS	CA	96028
FALL RIVER MILLS COMMUNITY	SERVICES DISTRICT	PO BOX 424	FALL RIVER MILLS	CA	96028
FALL RIVER MILLS COMMUNITY SERVICE DISTRICT		PO BOX 427	FALL RIVER MILLS	CA	96028
FALL RIVER MILLS FIRE DIST		BOX 396	FALL RIVER MILLS	CA	96028
FALL RIVER VALLEY LIBRARY CORPORATION		PO BOX 176	FALL RIVER MILLS	CA	96028
FALL RIVER Y COMPANY LLC		PO BOX 730	FALL RIVER MILLS	CA	96028
FORT CROOK HISTORICAL SOCIETY	C/O FORT CROOK MUSEUM	PO BOX 397	FALL RIVER MILLS	CA	96028
GALLION FAMILY TRUST	ERNEST SCOTT & STACY L GALLION TRS	PO BOX 44	FALL RIVER MILLS	CA	96028
GARY & SHARON FAZIO	GARY J & SHARON L FAZIO TRS	43303 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
GARY G & FORREST D FRASIER		PO BOX 71	FALL RIVER MILLS	CA	96028
GARY K & NATALIE D COX		PO BOX 122	FALL RIVER MILLS	CA	96028
GARY W HACKER		PO BOX 672	FALL RIVER MILLS	CA	96028
GEORGE O KNAUP		43128 6TH ST	FALL RIVER MILLS	CA	96028
GEORGE WILCOX & SUE KATHRYN REYNOLDS		PO BOX 433	FALL RIVER MILLS	CA	96028
GOSPEL INDIAN ASSEMBLY FULL		PO BOX 732	FALL RIVER MILLS	CA	96028
GRANTOR IRREV DOMBROSKI	RAYMOND ANDREW DOMBROSKI JR TR	27655 OLD CROOK TRL	FALL RIVER MILLS	CA	96028
GULBRANSEN FAMILY TRUST	ERIC D & LINDA M GULBRANSEN TRS	43146 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
GUS M REYES		41424 GOMEZ RD	FALL RIVER MILLS	CA	96028
GUSTAVO VELAZQUEZ ALTAMIRANO		PO BOX 66	FALL RIVER MILLS	CA	96028
HAPPY STAR CUNNINGHAM		PO BOX 451	FALL RIVER MILLS	CA	96028
HAROLD G & MARY V NOVAK		PO BOX 29	FALL RIVER MILLS	CA	96028
HARRIGAN FAMILY TRUST	PATRICK J & KERRY K HARRIGAN TRS	PO BOX 943	FALL RIVER MILLS	CA	96028
HENDRIX FAMILY TRUST	DONALD J & NORMA PAULETTE HENDRIX TRS	PO BOX 244	FALL RIVER MILLS	CA	96028
HENRIETTA BOBERG		43288 HWY 299 E	FALL RIVER MILLS	CA	96028
HENRIETTA MARIA BOBERG		43288 HWY 299 E	FALL RIVER MILLS	CA	96028
HUGH D & DENISE R WILLIAMS		25505 GLENBURN RD	FALL RIVER MILLS	CA	96028
HUTCHINGS FAMILY TRUST 2015	KENNETH L & DEBRA L HUTCHINGS TRS	PO BOX 148	FALL RIVER MILLS	CA	96028
INNES FAMILY TRUST	ROBERT KEVIN & THEONE INNES TRS	23701 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
INTERMOUNTAIN VETERINARY SERVICES LLC		PO BOX 1100	FALL RIVER MILLS	CA	96028
JAMES & JESSICA FIELDS		43290 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JAMES & VALERIE HARRIS		25730 SADDLE VIEW CT	FALL RIVER MILLS	CA	96028
JAMES B & OUELLETTE JUDITH L CLARK		43050 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JAMES B & TINA L RUSSELL		PO BOX 1052	FALL RIVER MILLS	CA	96028
JAMES P & LINDA HALVARSON		PO BOX 104	FALL RIVER MILLS	CA	96028
JASON & STACY HARPER		PO BOX 414	FALL RIVER MILLS	CA	96028
JAY & KATHY EGY		43106 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JAY C & DOROTHY L JOHNSON		PO BOX 344	FALL RIVER MILLS	CA	96028
JEFF & STACY EASLEY		25721 SADDLE VIEW CT	FALL RIVER MILLS	CA	96028
JEFFERY S PEVEHOUSE		PO BOX 39	FALL RIVER MILLS	CA	96028
JEFFREY SCOTT & CATHY LEE MILES		24870 LONG ST	FALL RIVER MILLS	CA	96028
JEREMY LEE & AMANDA RENEE MCFARLIN		24747 GREEN VALLEY CT	FALL RIVER MILLS	CA	96028
JOAQUIN CRUZ & DAVAOLIS MARIA CRUZ VERANO		PO BOX 404	FALL RIVER MILLS	CA	96028
JOE D RIBBLE		43067 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JOHN & JODI GARCIA		24843 MECHANIC ST	FALL RIVER MILLS	CA	96028
JOHN & PEGGI HUBBARD		24990 SIXTH ST	FALL RIVER MILLS	CA	96028
JOHN A & TONNTYA D PINEDA		43701 HWY 299E	FALL RIVER MILLS	CA	96028
JOHN H & PATRICIA L BETZ		PO BOX 72	FALL RIVER MILLS	CA	96028
JOHN H & PATRICIA L BETZ		23715 IROQUOIS LN	FALL RIVER MILLS	CA	96028
JOHN PAUL & JANET COCHRAN		PO BOX 204	FALL RIVER MILLS	CA	96028
JOHN R & TRACEY A WINTERSTEEN		43095 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JOHN RODRIGUES		25422 GLENBURN RD	FALL RIVER MILLS	CA	96028
JOHN S WARNSHUIS	JOHN S WARNSHUIS TR	PO BOX 1074	FALL RIVER MILLS	CA	96028
JOHNNY FRANK & MARRISA ANN MARTIN		43039 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JONES PATRICK E REV DEC OF TRUST	C/O PATRICK E JONES	42900 CHICKASAW CT	FALL RIVER MILLS	CA	96028
JOSE MIGUEL ALVAREZ		PO BOX 304	FALL RIVER MILLS	CA	96028
JOSEPH A JONES		PO BOX 332	FALL RIVER MILLS	CA	96028
JOSHUA EDWIN & CANDEE LOUISE PARKER		43250 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
JOSHUA M & JESSICA D KERN		43673 HWY 299 E	FALL RIVER MILLS	CA	96028
JOSHUA RYAN & TIFFANY LYNN FRYE		25515 GLENBURN RD	FALL RIVER MILLS	CA	96028
JUAN CARLOS RODRIGUEZ ORTEGA		25063 REYNOLDS RD	FALL RIVER MILLS	CA	96028
JUAN PABLO BECERRA PRECIADO		PO BOX 483	FALL RIVER MILLS	CA	96028
KATE A BAMBURG MARY		PO BOX 992	FALL RIVER MILLS	CA	96028
KATHERINE LOUISE SMITH		PO BOX 653	FALL RIVER MILLS	CA	96028
KATHY L HAYDOCK	KATHY L HAYDOCK & BRANDON VLASOFF TRS	PO BOX 1159	FALL RIVER MILLS	CA	96028
KAY TYLER		PO BOX 91	FALL RIVER MILLS	CA	96028
KEITH & PATRICIA DICKINSON		PO BOX 444	FALL RIVER MILLS	CA	96028
KENNETH & EILEEN HENDRICKSON	KENNETH A & EILEEN D HENDRICKSON TRS	PO BOX 434	FALL RIVER MILLS	CA	96028
KENNETH W & JANELLE J HOWES		42777 UTE CT	FALL RIVER MILLS	CA	96028
KENNRY R HEFLEY		PO BOX 144	FALL RIVER MILLS	CA	96028
KERRY A KRESS		PO BOX 641	FALL RIVER MILLS	CA	96028
KING FAMILY TRUST	KING JOHN D & JUANITA M TR	PO BOX 116	FALL RIVER MILLS	CA	96028
KNOCH & SONS CATTLE RANCH INC		PO BOX 177	FALL RIVER MILLS	CA	96028
KNOCH 2005 TRUST		43877 DEE KNOCH RD	FALL RIVER MILLS	CA	96028
KRAIG & RUTH STRAUCH		PO BOX 794	FALL RIVER MILLS	CA	96028
LARRY W & GAIL E BETZ		43220 HUPA CT	FALL RIVER MILLS	CA	96028
LAURENE MARIE HAMILTON		23607 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
LAURIE RENEE WIMER		PO BOX 14	FALL RIVER MILLS	CA	96028
LEON L & MARTHA GROVER		25455 GLENBURN RD	FALL RIVER MILLS	CA	96028
LUCAS W & MELINDA BOOKER		PO BOX 42	FALL RIVER MILLS	CA	96028
LYLE E & KATHERINE M ERLENBECK		41811 MCARTHUR RD	FALL RIVER MILLS	CA	96028
MALMEN LIVING TRUST	JOHN H & JANICE A MALMEN TRS	43497 HIGHWAY 299 EAST	FALL RIVER MILLS	CA	96028
MARIQUEZ FAMILY LIVING TRUST	BONIFACIO R & MARVA O MARIQUEZ TRS	PO BOX 55	FALL RIVER MILLS	CA	96028
MANUEL J BETTENCOURT	MANUEL J BETTENCOURT TR	43705 HWY 299 E	FALL RIVER MILLS	CA	96028
MARLON SLOAN		43117 SHOSHONI LOOP	FALL RIVER MILLS	CA	96028
MARTHA J & PAUL J NORDYKE		PO BOX 974	FALL RIVER MILLS	CA	96028
MARTIN FAMILY 1996 TRUST		PO BOX 502	FALL RIVER MILLS	CA	96028
MARTIN R BOURDASE	MARTIN DONALD J & LANI K TR	42750 OLD BICKEL PL	FALL RIVER MILLS	CA	96028
		PO BOX 752	FALL RIVER MILLS	CA	96028

MARY OCONNOR		PO BOX 32	FALL RIVER MILLS	CA	96028
MATTHEW CLINTON NICHOLLS	MATTHEW CLINTON NICHOLLS TR	43100 HWY 299E BOX 430	FALL RIVER MILLS	CA	96028
MATTHEW D & SUZANNE L MASON		PO BOX 114	FALL RIVER MILLS	CA	96028
MATTHEW WESTLUND		PO BOX 222	FALL RIVER MILLS	CA	96028
MAYBELLE L & JOHN H BETZ		23659 CASSEL FALL RIVER RD	FALL RIVER MILLS	CA	96028
MAYERS MEMORIAL HOSPITAL DISTRICT		PO BOX 459	FALL RIVER MILLS	CA	96028
MCFARLIN FAMILY LIVING TRUST	TOMMIE R & JOYCE L MCFARLIN TRS	PO BOX 97	FALL RIVER MILLS	CA	96028
MCFARLIN FAMILY TRUST	RON L & ROCKY MCFARLIN TRS	PO BOX 574	FALL RIVER MILLS	CA	96028
MICHAEL ARTZ	MICHAEL S ARTZ TR	25371 GLENBURN RD	FALL RIVER MILLS	CA	96028
MICHAEL ONEAL & CATHERINE NICHOLE MORTON		PO BOX 354	FALL RIVER MILLS	CA	96028
MILLIGAN REVOCABLE 2002 FAMILY TRUST	STEPHEN R & MARY E MILLIGAN TRS	PO BOX 17	FALL RIVER MILLS	CA	96028
MILLINGTON REVOCABLE TRUST	MICHAEL J & BEATRIZ J MILLINGTON TRS	PO BOX 207	FALL RIVER MILLS	CA	96028
MOYER FAMILY TRUST	HARLAN E & CAROL R MOYER TRS	PO BOX 125	FALL RIVER MILLS	CA	96028
NICOLETTE MARIE HOWARD		PO BOX 413	FALL RIVER MILLS	CA	96028
NORA GENDUSA ROSE	ROSE NORA PEER & COLLEEN KAY TAYLOR TRS	PO BOX 622	FALL RIVER MILLS	CA	96028
NORMAN SCOTT & KIMBERLY Y MYERS		23792 COMANCHE CT	FALL RIVER MILLS	CA	96028
NORTH HUDSON	PEGGY KATHLEEN HUDSON TR	41005 MCARTHUR RD	FALL RIVER MILLS	CA	96028
NORVIN C & RUTH E SHANNON	NORVIN C & RUTH E SHANNON TRS	PO BOX 828	FALL RIVER MILLS	CA	96028
ONTANO R & KATHY LEAVERTON DOUG		PO BOX 844	FALL RIVER MILLS	CA	96028
ONTANO R & KATHY LEAVERTON DOUG		42326 5TH ST	FALL RIVER MILLS	CA	96028
ORVILLE A & JOLENE JANETTE MILLER		PO BOX 94	FALL RIVER MILLS	CA	96028
OSCAR FERRER ZUNIGA		PO BOX 801	FALL RIVER MILLS	CA	96028
PATRICIA F & ROGERS DIANA ELAM		PO BOX 881	FALL RIVER MILLS	CA	96028
PAUL & DARLA VAN RIET	PAUL K & DARLA A VAN RIET TRS	41416 BROWN RD	FALL RIVER MILLS	CA	96028
PAUL F & DIANE L MAUPIN		25361 GLENBURN RD	FALL RIVER MILLS	CA	96028
PAUL R WOLFIN		PO BOX 283	FALL RIVER MILLS	CA	96028
PAULETTE K GOOCH	PAULETTE K GOOCH TR	PO BOX 282	FALL RIVER MILLS	CA	96028
PEDRO & IVETTE MENDOZA		PO BOX 50	FALL RIVER MILLS	CA	96028
PHILLIP RAGLIN	C/O VANESSA RAGLIN	PO BOX 545	FALL RIVER MILLS	CA	96028
PRACOTT INDUSTRIES INC		PO BOX 27	FALL RIVER MILLS	CA	96028
RAMIRO SANCHEZ & SANCHEZ ERLINDA GOMEZ		PO BOX 521	FALL RIVER MILLS	CA	96028
RANCH RIVER	ATTN S JAMES RICKERT	PO BOX 817	FALL RIVER MILLS	CA	96028
RAYMOD & LYN NICHOLLS	LYN A NICHOLLS SUC TR	PO BOX 430	FALL RIVER MILLS	CA	96028
REAMS FAMILY TRUST	REAMS JAMES L & JUDITH TR	PO BOX 685	FALL RIVER MILLS	CA	96028
RICH & UITTERBACK DONNA CALLISON		PO BOX 535	FALL RIVER MILLS	CA	96028
RICH COAKLEY	RICHARD P COAKLEY TR	PO BOX 141	FALL RIVER MILLS	CA	96028
RICKY E & DIANE P PHAY		PO BOX 553	FALL RIVER MILLS	CA	96028
ROBERT & JEAN HACKNEY	M JEAN HACKNEY TR	PO BOX 205	FALL RIVER MILLS	CA	96028
ROBERT D HAYES		PO BOX 334	FALL RIVER MILLS	CA	96028
ROBERT LOWELL & JANICE WILLIAMS BARRETT		PO BOX 363	FALL RIVER MILLS	CA	96028
RODRIGO ALVAREZ-VILLARRUEL		PO BOX 421	FALL RIVER MILLS	CA	96028
ROLAND I UNRUH	ROLAND I UNRUH TR	PO BOX 632	FALL RIVER MILLS	CA	96028
RONALD E LUGTON		PO BOX 441	FALL RIVER MILLS	CA	96028
RONALD G & JOANNE V BIRCHARD		PO BOX 1050	FALL RIVER MILLS	CA	96028
RYAN NICHOLLS		PO BOX 236	FALL RIVER MILLS	CA	96028
SABER & NORMA ZELL	SABER P & NORMA K E ZELL TRS	PO BOX 919	FALL RIVER MILLS	CA	96028
SANDBERG FAMILY TRUST	DONALD G & PENNY L SANDBERG TRS	40827 BROWN RD	FALL RIVER MILLS	CA	96028
SAUL ESQUER CORONADO		PO BOX 934	FALL RIVER MILLS	CA	96028
SCHMUNK FAMILY TRUST	WILLIAM H & DARLA K SCHMUNK TRS	PO BOX 337	FALL RIVER MILLS	CA	96028
SCOTT A & SANDRA L JENSEN	C/O FALL RIVER HOTEL	PO BOX 718	FALL RIVER MILLS	CA	96028
SCOTT W & CHERI F EDWARDS		43343 SHOSHONE LOOP	FALL RIVER MILLS	CA	96028
SHANE E & BENNETT HANNAH N OVERTON	C/O SHERRI L SHIELDS	PO BOX 826	FALL RIVER MILLS	CA	96028
SHANE E OVERTON		PO BOX 1012	FALL RIVER MILLS	CA	96028
SHARON A HANSON		PO BOX 324	FALL RIVER MILLS	CA	96028
SHARON I & WALLACE J ESTES		PO BOX 474	FALL RIVER MILLS	CA	96028
SHIRLEY FRENCH		PO BOX 493	FALL RIVER MILLS	CA	96028
SIEGEL FAMILY TRUST	EDWARD M SIEGEL & GEORGIA BROWN ZUNIGA TRS	25465 GLENBURN RD	FALL RIVER MILLS	CA	96028
SKY SNYDER		PO BOX 223	FALL RIVER MILLS	CA	96028
STAGGS JAMES S & SUSAN 2010 FAMILY TRUST	JAMES A & SUSAN STAGGS TRS	PO BOX 860	FALL RIVER MILLS	CA	96028
STANLEY E VIGOLO		PO BOX 333	FALL RIVER MILLS	CA	96028
STEPHEN R & MARY E MILLIGAN		24242 NATCHEZ CT	FALL RIVER MILLS	CA	96028
STEPHEN SCOTT & STEPHANIE L HERINGER		43132 HWY 299E	FALL RIVER MILLS	CA	96028
STEPHEN SCOTT & STEPHANIE LYNN HERINGER		PO BOX 243	FALL RIVER MILLS	CA	96028
STEVE ALLAN & NINA JENSEN MARTINEZ		PO BOX 901	FALL RIVER MILLS	CA	96028
STEVE SHEPARD		PO BOX 28	FALL RIVER MILLS	CA	96028
STEVEN & SUSAN KNOCH	STEVEN D & SUSAN C KNOCH TRS	26886 GLENBURN RD	FALL RIVER MILLS	CA	96028
STEVEN C & CAROLYN M BARNETT		PO BOX 306	FALL RIVER MILLS	CA	96028
STEVEN C SCHWEGLER		PO BOX 128	FALL RIVER MILLS	CA	96028
STEVEN E MARUGG		44591 DEE KNOCH RD	FALL RIVER MILLS	CA	96028
STRONG FAMILY TRUST	JAMES H & BETTY STRONG TRS	PO BOX 822	FALL RIVER MILLS	CA	96028
TALBOTT B & ALICE M ROBINSON		PO BOX 184	FALL RIVER MILLS	CA	96028
TAMMY & BRETT CAMACHO	NANCY WILSON	PO BOX 173	FALL RIVER MILLS	CA	96028
TERRIE LYNN SPENST-RUSSEL		25447 GLENBURN RD	FALL RIVER MILLS	CA	96028
THELMA RENEE SCHNEIDER		PO BOX 26	FALL RIVER MILLS	CA	96028
THEODORE & DEBRA NOEL	THEODORE CURTISS & DEBRA LYNN NOEL TRS	PO BOX 489	FALL RIVER MILLS	CA	96028
TIMOTHY C MANNIX		43501 STATE HWY	FALL RIVER MILLS	CA	96028
TITUS V MICHELLE	V MICHELLE TITUS TR	PO BOX 920	FALL RIVER MILLS	CA	96028
TODD A BROWN		PO BOX 515	FALL RIVER MILLS	CA	96028
TOMMY JAY LOGAN		24907 FORT CROOK AVE	FALL RIVER MILLS	CA	96028
TONY T & SUSAN B CABRERA		43027 SHOSHONE LOOP	FALL RIVER MILLS	CA	96028
TRAVIS B JACOBSON		25138 REYNOLDS RD	FALL RIVER MILLS	CA	96028
TRUDI ANNE COCHRAN BURNS		PO BOX 294	FALL RIVER MILLS	CA	96028
TULLER FAMILY TRUST	JAMES A & GLENDA K TULLER TRS	43034 SHOSHONE LOOP	FALL RIVER MILLS	CA	96028
TYLER DEWITT		PO BOX 183	FALL RIVER MILLS	CA	96028
UNDEN FAMILY TRUST	DOUGLAS M & KAREN L UNDEN TRS	PO BOX 336	FALL RIVER MILLS	CA	96028
VENEGAS J & JACLYN N IGNACIO		PO BOX 385	FALL RIVER MILLS	CA	96028
VENEGAS J & JACLYN N IGNACIO		PO BOX 385	FALL RIVER MILLS	CA	96028
VICKY D CLARK		PO BOX 922	FALL RIVER MILLS	CA	96028
VIRGINIA RAY		GLENBURN STAR ROUTE	FALL RIVER MILLS	CA	96028
VIRGINIA RAY	C/O CECIL D RAY	PO BOX 681	FALL RIVER MILLS	CA	96028
WAGONER FAMILY TRUST	BILL H & ROMA M WAGONER TRS	43322 SHOSHONE LOOP	FALL RIVER MILLS	CA	96028
WALTER L & JILL J OILAR		42954 LITTLE LAKES DR	FALL RIVER MILLS	CA	96028
WENDY TAYLOR		PO BOX 773	FALL RIVER MILLS	CA	96028
WHITNEY SUTHERLAND MURDOCK		43527 SIERRA CENTER DR	FALL RIVER MILLS	CA	96028
WILLIAM & SALLY J VOORHEIS BRUNNER		PO BOX 1049	FALL RIVER MILLS	CA	96028
WILLIAM E & MARY A SNYDER		PO BOX 223	FALL RIVER MILLS	CA	96028
WILLIAM M & BRENDA D RODRIGUEZ		43735 STATE HIGHWAY 299 EAST	FALL RIVER MILLS	CA	96028
WILLIAM R & ALEXIS JOHNSON		PO BOX 701	FALL RIVER MILLS	CA	96028
WILLIAM RAYMOND & SHERI LYNN BURRIER		PO BOX 514	FALL RIVER MILLS	CA	96028
ZITA M BIEHLE		PO BOX 6	FALL RIVER MILLS	CA	96028
FRED JACOBSON		PO BOX 183	FALL RIVER MILLS	CA	96028
GLENN E CUNNINGHAM		PO BOX 193	FALL RIVER MILLS	CA	96028
BRUCE D & GEORGIANNA BADER	BRUCE D BADER TR	PO BOX 309	FALL RIVER MILLS	CA	96028
BRUCE LEE WHITEHEAD		PO BOX 505	FALL RIVER MILLS	CA	96028
LORRAINE CORAL BARRETT	LORRAINE CORAL BARRETT TR	PO BOX 727	FALL RIVER MILLS	CA	96028
ROBERT C & LORRAINE FIDRYCH		43022 SHOSHONE LOOP	FALL RIVER MILLS	CA	96028
GARRY D & DOROTHY M HERCEG		337 WILLOW DR	FELTON	CA	95018

WILLIAM R & KATHLEEN E GIBNEY	WILLIAM R & KATHLEEN E GIBNEY TRS	16803 MITCHELL CREEK DR	FORT BRAGG	CA	95437
MYERS J & LAVERNE D FAM DOUGLAS	JAMES DOUGLAS & LAVERNE DAYLE MYERS TRS	PO BOX 805	FORT BRAGG	CA	95437
MARTIN & MARTHA MATTHIESSEN	MARTIN A & MARTHA J MATTHIESSEN TRS	36670 MONTECITO DR	FREMONT	CA	94536
JON & TERRI NEWCOMB		1980 PACHECO PASS HWY	GILROY	CA	95020
GLENBURN ROAD LLC	C/O BRUCE CLYMER	12245 ADINE CT	GLEN ELLEN	CA	95442
THOMAS R & SUSAN J SELLARDS		PO BOX 175	GRATON	CA	95444
JERRY MICHAEL ADAMS		PO BOX 25	HAT CREEK	CA	96040
JOHN B MEYERS		PO BOX 11	HAT CREEK	CA	96040
LAKEY FAMILY 2008 TRUST	HOWARD A JR & KATHY MARY LAKEY TRS	41397 OPDYKE LN	HAT CREEK	CA	96040
TOMMY L & GAIL MILLER		PO BOX 42	HAT CREEK	CA	96040
JOHN STEPHEN WEAR	JOHN STEPHEN WEAR TR	PO BOX 2280	HEALDSBURG	CA	95448
DAVID WILLIAM HANNA	C/O HANNA CAPITAL MANAGEMENT	43 POST	IRVINE	CA	92618
JENNIFER LYNN LUTZENBERGER		839 BROADMOOR CT	LAFAYETTE	CA	94549
WILLIAM BLEACHER		528 SYLVAS DR	LITTLE VALLEY	CA	96056
ALBERT GUTIERREZ		2101 245TH ST	LOMITA	CA	90717
CHILDRENS IRREVOCABLE CUFUADE	BERNADETTE M OBIEN TR	PO BOX 1777	LOOMIS	CA	95650
DGM REALTY LLC		1559 S SEPULVEDA BLVD	LOS ANGELES	CA	90025
CONWAY FAMILY TRUST ETAL	DAVID L & DENISE CONWAY TRS	5305 MONTANA DEL ORO	MARIPOSA	CA	95338
NICOLETTA MARY BRUNO	NICOLETTA M BRUNO TR	536 HELEN DR	MILLBRAE	CA	94030
KENNEDY 2000 FAMILY PARTNERSHIP LP	C/O MARK KENNEDY	PO BOX 273	MT SHASTA	CA	96067
GUADALUPE G MENDEZ		1460 JEFFERSON ST	NAPA	CA	94559
HPD CEDARWOOD L P	C/O HEARTHSTONE HOUSING FOUNDATION	4000 MACARTHUR BLVD #105	NEWPORT BEACH	CA	92660
CHRISTOPHER D MERRILL		4524 DARCY CT	NORTH HIGHLANDS	CA	95660
THOMAS W & BARBARA ANN MEYER		10852 OAK RUN RD	OAK RUN	CA	96069
JAROD ANTHONY FOCHA		513 BRANDING IRON ST	OAKDALE	CA	95361
FRED W & CHOVICK NORA L YOUNG		4361 BRIDGEVIEW DR	OAKLAND	CA	94602
FRED W & CHOVICK NORA L YOUNG		4361 BRIDGE VIEW DR	OAKLAND	CA	94602
CONNIE P ORTIZ		1311 KAY LN	OAKLEY	CA	94561
MICHAEL CONNORS		520 HOOVER ST	OCEANSIDE	CA	92054
MILLVILLE LODGE #141 I O O F		22551 SILVERLODE LN	PALO CEDRO	CA	96073
MIRANDA ORTEGA	EDUWIGES ORTEGA MIRANDA TR ETAL	21799 HILLSIDE DR	PALO CEDRO	CA	96073
KEVIN & CHRISTINE WYCKOFF		2221 SWALLOW RD	PLACERVILLE	CA	95667
DELBERT LARRY NIEGEL	DELERT LARRY NIEGEL TR	4906 PLEASANT GROVE RD	PLEASANT GROVE	CA	95668
STEPHEN L GARTNER		46 PICASSO CT	PLEASANT HILL	CA	94523
PLUMAS BANK		35 S LINDAN AVE	QUINCY	CA	95971
CHARLES R & ANNE M JIMENEZ		13180 MONTECITO RD	RED BLUFF	CA	96080
HILL SCOTT & TINA FAMILY TRUST 2015	SCOTT C & TINA M HILL TRS	16325 GEM ACRES LN	RED BLUFF	CA	96080
VIRGIL D BUECHLER	VIRGIL D BUECHLER TR	14124 DEERWOOD DR	RED BLUFF	CA	96080
GARY & MARY CORBETT		4125 REMINGTON DR	REDDING	CA	96001
NICHOLAS E & LESLIE M ANDERSEN		5483 ROSSWOOD LN	REDDING	CA	96001
ROBERT F & LELA M WIMER	ROBERT FRANKLIN & LELA MARIE WIMER TRS	2130 RENOIR PATH	REDDING	CA	96001
SHASTA COUNTY OF	PUBLIC WORKS DEPT	1855 PLACER RD	REDDING	CA	96001
DON & TRAN HA BICK		2569 TEMPLETON DR	REDDING	CA	96002
KIRANJIT KAUR SAHOTA		2700 MADISON RIVER DR	REDDING	CA	96002
KRISTEN L REIERSON		19919 COUNTRYSIDE LN	REDDING	CA	96002
PARKER FAMILY TRUST	LINDA L LAKEY TRS	3938 ROESNER AVE	REDDING	CA	96002
UNITED STATES FOREST SERVICE		3644 AVTECH PKWY	REDDING	CA	96002
ALAN W HILL		348 SPRINGER DR	REDDING	CA	96003
G & J FAM SKIPITIS	GREGORY A & JANET M SKIPITIS TR	282 RIDGETOP DR	REDDING	CA	96003
W M BEATY & ASSOCIATES INC		PO BOX 990898	REDDING	CA	96003
MARIA CAMACHO	C/O ELEANOR PRESTON	PO BOX 208	REDLANDS	CA	92373
RICK K DALTON		PO BOX 453	REDWOOD CITY	CA	94064
TERRY M MAINE		2666 NO PALM AVE	RIALTO	CA	92377
DIANA L GRAHAM		1048 DIAMANTE DR	RIO VISTA	CA	94571
NO CALIF CONF ASSN/7TH DAY ADVENTISTS	C/O NCC PROPERTY MANGEMENT DEPT	PO BOX 619015	ROSEVILLE	CA	95661
GARY T SCHALESKY		PO BOX 248	ROUND MOUNTAIN	CA	96084
FLANDERS-ROUSH & JAMES C ROUSH LAURA	JAMES C ROUSH & LAURA FLANDERS-ROUSH TRS	16420 BONNEY RD	ROYAL OAKS	CA	95076
DOLORES M HANSEN	DOLORES M HANSEN TR	821 CORBETT AVE	SAN FRANCISCO	CA	94131
GILBERT S GONZALES	GILBERT S GONZALES TR	1517 167TH AVE	SAN LEANDRO	CA	94578
PEDRO & JULIETA ELENES	JULIETA ELENES TR	124 COBBLESTONE LN	SAN RAMON	CA	94583
ANDERSON FAMILY TRUST	ANDERSON WM R & PAMELA K TR	1000 VERONICA SPRINGS RD	SANTA BARBARA	CA	93105
CHRISTINE CLAYWORTH	CHRISTINE CLAYWORTH TR	115 CLINTON ST	SANTA CRUZ	CA	95062
LARRY W & FOWLER-HAMILTON DAWN PFRENGER		1336 LEILA CT	SANTA CRUZ	CA	95062
HENRY T DREW		2459 SCHUMAN PL	SANTA MARIA	CA	93458
BRADARAN LIVING TRUST	MEHDI BRADARAN ETAL TRS	5989 VISTA RIDGE	SANTA ROSA	CA	95409
STEPHEN J & KRISTINA G NUICH	STEPHEN J & KRISTINA G NUICH TRS	6516 MEADOWGREEN PL	SANTA ROSA	CA	95409
DEWEY LYNN BOLEN		17935 RANCHERA RD	SHASTA LAKE	CA	96019
MURPHY FAMILY 2011 TRUST	DANIEL & CECILE MURPHY TRS	4780 GRAZING HILL RD	SHINGLE SPRINGS	CA	95682
ALAN J & MARY TUDISCO		1295 SPERRING RD	SONOMA	CA	95476
PATRICIA E CANEVARI	PATRICIA E CANEVARI TR	868 2ND ST	SONOMA	CA	95476
HAVEN TALAC	CARALYN OSTLUND TR	PO BOX 10763	SOUTH LAKE TAHOE	CA	96158
EQUITY TRUST COMPANY CUSTODIAN		PO BOX 331	STANDISH	CA	96128
JANET L SCOVEL		704 ANITA DR	SUSANVILLE	CA	96130
KYLE PORTER	KYLE E PORTER TR	1289 MAIN ST	SUSANVILLE	CA	96130
WILLIAM & LINDA NOYES		40905 ELK DR	THREE RIVERS	CA	93271
HIPPLE FAMILY LIVING TRUST	DANIEL P HIPPLE & KATHLEEN JUNG-HIPPLE TR	110 AVENIDA MIRAFLORES	TIBURON	CA	94920
RUSSELL BROWN		4821 W EVERGREEN CT	VISALIA	CA	93277
R & HAMM M 2016 FAM MILLAR	RICHARD MILLAR & MARSHA HAMM TRS	19821 PONDEROSA DR	VOLCANO	CA	95689
LAAK VAN		3266 PTARMIGAN DR #2A	WALNUT CREEK	CA	94595
MARK J & VIKKI L LORRAINE		891 S WEED BLVD	WEED	CA	96094
CHRISTOPHER CHARLES BRADFORD		3855 HUNTINGTON RD	WEST SACRAMENTO	CA	95691
AMY WHITELEY		9964 TROON CT	WINDSOR	CA	95492
RICK & TRACY KANE		9136 PICCADILLY CIR	WINDSOR	CA	95492
JOHN & MARY TUFVESON		459 ABBEY ST	WINTERS	CA	95694
WADEMAN REV LIVING TRUST	MICHAEL C & CARA L WADEMAN TRS	1317 VIENTO LN	WOODLAND	CA	95695
PHILLIP & JASMIN MARTIN	PHILLIP J & JASMIN R MARTIN TRS	2009 MIEKLE AVE	WOODLAND	CA	95776
MICHAEL & ANGELA BAXTER		109 WALTERS LN	YREKA	CA	96097
NORCAL INVESTORS INC		824 SANTI CT	YUBA CITY	CA	95993
Les Baugh	Shasta County- District 5	1450 Court St., Suite 308B	REDDING	CA	96001
Joe Chimenti	Shasta County- District 1	1450 Court St., Suite 308B	REDDING	CA	96001
Leonard Moty	Shasta County- District 2	1450 Court St., Suite 308B	REDDING	CA	96001
Mary Rickett	Shasta County- District 3	1450 Court St., Suite 308B	REDDING	CA	96001
Steve Morgan	Shasta County- District 4	1450 Court St., Suite 308B	REDDING	CA	96001
Agnes Gonzalez, Chairperson	Pit River Tribe	36970 Park Ave	Burney	CA	96013
Jack Potter Jr. , Chairman	Redding Rancheria	2000 Redding Rancheria Road	Redding	CA	96001
Roy V. Hall, Jr. Chairpoerson	Shasta Nation	P.O. Box 1054	Yreka	CA	96097
Caleen Sisk-Franco Tribal Chair	Wintun Tribe of Northern California	14840 Bear Mountain Road	Redding	CA	96003
Wade McMaster, Chairperson	Wintun Educational and Cultural Council	P.O. Box 995	Shasta Lake	CA	96019
Robert Burns, Chairperson	Nor-Rel-Muk Wintu Nation	PO Box 1967	Weaverville	CA	96041
John Hayward, Chairperson		PO Box 43	Macdoel	CA	96058
Howard Wynant		22148 BUCKEYE PL	COTTONWOOD	CA	96022
MIKE A BRAZZI	DEPT FISH & GAME/W L CONS BD	1416 9TH ST	SACRAMENTO	CA	95814
CALIFORNIA STATE OF		322 BUTTERFIELD RD	SAN ANSELMO	CA	94960
BEN & MARIA BERTO	DAVID JENNE TR	62 IDORA AVE	SAN FRANCISCO	CA	94127
RICHARD MAPT JENNE		115 E FLORA ST	SANTA ANA	CA	92707
GEORGE L & MARIE T TRUJILLO		MCCA P O BOX 2870	ESTES PARK	CO	80517
JACK E & LEONA COOK					

LEONA M COOK		MCCA PO BOX 2870	ESTES PARK	CO	80517
DONALD & DONNA STONEBARGER	DONALD R & DONNA L STONEBARGER TRS	PO BOX 3	WHITE BIRD	ID	83554
TELECOMMUNICATIONS CITIZENS	COMPANY OF CALIFORNIA INC	PO BOX 433 TAX DEPARTME	HARVEY	LA	70059
CARYN & BETHEL-WASHINGTON CARYN A WASHINGTON		1302 BELTRAM CT	ODENTON	MD	21113
OLEG CHURYUMOV		1037 NE 65 ST	MINNEAPOLIS	MN	55417
PHILLIP L JAEGER	PHILLIP L JAEGER TR	5328 W LAKE MEAD BLVD	LAS VEGAS	NV	89108
FREDERICK DALE ALTBURG		15 E P ST	SPARKS	NV	89431
BONNIE G MACLAREN		770 WILD HAWK DR	SPARKS	NV	89436
JON MICHAEL CINI		6700 OWOSO AVE	CLEVELAND	OH	44105
BARBER FAMILY TRUST	ROBERT J BUTTERFIELD	856 NW HALEAKALA WAY	BEND	OR	97703
READ TRUST	ROBERT L READ TR	2448 NW SACAGAWEA LN	BEND	OR	97703
CURTIS R FITZWATER		527 N HEIGHTS DR	EAGLE POINT	OR	97524
PAPE PROPERTIES INC		355 GOODPASTURE ISLAND RD	EUGENE	OR	97401
CHARLES F & STELLA L THOMPSON		1136 9TH ST	FLORENCE	OR	97439
TIMOTHY E BOYD		17023 MEADOWS RD	MEDFORD	OR	97503
NYK88 LLC		850 OHARE PKWY #100	MEDFORD	OR	97504
FRANK & CINDY ZUCCA	FRANKLIN & CINDY ZUCCA CO-TRS	200 ADMIRAL CIR	MERLIN	OR	97532
KENNETH & MARGARET-MARY ROSENZWEIG	KENNETH J & MARGARET-MARY ROSENZWEIG TRS	1915 NE 78TH AVE	PORTLAND	OR	97213
JAMES W PELL		3052 RIDGE LN	WEST LINN	OR	97068
ACP I LLC		PO BOX 488	COLUMBIA	SC	29202
JOHN C & PENNY A JOINER		1273 HORSESHOE BEND	MT PLEASANT	SC	29464
IGNITE SOLAR LAND HOLDINGS LLC		2000 EDWARDS ST	HOUSTON	TX	77007
ELLIOTT H & ROBYN J STUART		161 DEER HAVEN LN	KERRVILLE	TX	78028
BROWN FAMILY TRUST	WILLIAM V & MICHIKO BROWN TRS	425 E BISHOP FEDERAL LN #4202	SALT LAKE CITY	UT	84115
FORVIN CONSULTING SOLUTIONS LLC	C/O STEVEN P SAPERS	10510 ROSS RD	BOTHELL	WA	98011
GEORDIE & BEVERLY MYRICK		5817 78TH PL	MARYSVILLE	WA	98270
JDC PO HOLDINGS LLC	C/O JASON SUZUKI REG AGENT	902 THORNDYKE RD	PORT LUDLOW	WA	98365
MICHELE M JAY	C/O GARY L WILSON	4118 E SWANKY LN	KINGMAN	AZ	86401
VAN DER STEEN FAMILY TRUST 2015	JAN E & DANIELA P VAN DER STEEN TRS	PO BOX 89	BOULDER CREEK	CA	95006
ANTONIO & ELVIA P INIGUEZ		PO BOX 302	MCARTHUR	CA	96056
ASHE RAMON & GAIL 2008 FAMILY TRUST	RAMON P & GAIL M ASHE TRS	PO BOX 308	MCARTHUR	CA	96056
BIG KAHLUNA BURGER LLC		28160 CABLE RD	MCARTHUR	CA	96056
GOSPEL INDIAN ASSEMBLY FULL	C/O MILDRED ELMORE	PO BOX 185	MCARTHUR	CA	96056
HIRAM BROWN		45357 HWY 299E	MCARTHUR	CA	96056
KEVIN M & LINDA L CORR	KEVIN M & LINDA L CORR TRS	PO BOX 472	MCARTHUR	CA	96056
MATTHEW NICHOLLS CLINTON	MATTHEW CLINTON NICHOLLS TR	PO BOX 476	MCARTHUR	CA	96056
MCARTHUR 1989 TRUST	JOHN R & SHIRLEY L MCARTHUR TRS	PO BOX 67	MCARTHUR	CA	96056
RONALD E & LUANN WELLEMAYER		PO BOX 584	MCARTHUR	CA	96056
ALBERTO ACEVES GUZMAN		PO BOX 586	MCARTHUR	CA	96056
BILL & CAROL MORRIS		45643 DEE KNOCH RD	MCARTHUR	CA	96056
BRENT & ALLISON CASSITY		542 LITTLE VALLEY RD	MCARTHUR	CA	96056
CODY JAMES & HUFF DELNO WAYNE MACABE		PO BOX 334	MCARTHUR	CA	96056
ENRIQUE A & ACEVES-ALVAREZ MARIA G ALVAREZ		PO BOX 388	MCARTHUR	CA	96056
FALL RIVER RESOURCE CONSERVATION DIST		PO BOX 83	MCARTHUR	CA	96056
FELICIANO & GARCIA GLORIA GARCIA-GUTIERREZ		PO BOX 525	MCARTHUR	CA	96056
GARY C WEAVER		PO BOX 568	MCARTHUR	CA	96056
GEORGE & CHRISTINE MCARTHUR	GEORGE JOHN & CHRISTINE MCARTHUR TRS	PO BOX 159	MCARTHUR	CA	96056
GORDON E & LINDA L NOORDMAN		PO BOX 129	MCARTHUR	CA	96056
HAYES FAMILY REVOCABLE TRUST	JOHN CARROL & TERESA MARCELLE HAYES TRS	PO BOX 43	MCARTHUR	CA	96056
JOHANNA M KILPATRICK		PO BOX 44	MCARTHUR	CA	96056
JUAN PABLO BECERRA PRECIADO		PO BOX 525	MCARTHUR	CA	96056
KEVIN M & CATHREN C EADES		PO BOX 496	MCARTHUR	CA	96056
LAREAU TRUST	JOSEPH III & ALICE L LAREAU TRS	30036 DAY RD	MCARTHUR	CA	96056
LAUREL LYNN CORDOVA		27416 CABLE RD	MCARTHUR	CA	96056
MARGARET P ASHMORE	C/O WRIGHT J L & F F JT A/S	PO BOX 173	MCARTHUR	CA	96056
MARTHA C COLLINS		75 PINE MEADOW DR	MCARTHUR	CA	96056
MICHAEL A & TERI L VIGIL		PO BOX 699	MCARTHUR	CA	96056
RANDALL & SHARMAN HARR		PO BOX 361	MCARTHUR	CA	96056
ROBERT DAVID & KIMBERLY SUE DUPONT		PO BOX 252	MCARTHUR	CA	96056
ROBERT S & STEWART NICOLE BENSON		PO BOX 24	MCARTHUR	CA	96056
ROBERTO A & OFELIA VILLARRUEL ALVAREZ		PO BOX 634	MCARTHUR	CA	96056
SHANE & AMBER ROBERTSON		PO BOX 283	MCARTHUR	CA	96056
STACIE CATTLE CO INC		PO BOX 129	MCARTHUR	CA	96056
TNI PROPERTIES		27100 BALDY MCCULLY RD	MCARTHUR	CA	96056
TOMMY ALLEN CONNELY	TOMMY ALLEN CONNELY TR	45866 HWY 299E	MCARTHUR	CA	96056
TRAVERSO FAMILY TRUST	DOM & FRANCINE ME TRAVERSO TRS	642 PIT RIVER CANYON RD	MCARTHUR	CA	96056
FALL RIVER SCHOOL (TRUSTEES		P O BOX 340	MCARTHUR	CA	96056
CIRILO & FINKS DELAINAY MARTINEZ		PO BOX 557	MCARTHUR	CA	96056
GEOFFREY GICKER		2031 MILL RD	NOVATO	CA	94947
ANDREW JAMES EMERSON	EMERSON JAMES CUSTODIAN	PO BOX 105	POTTER VALLEY	CA	95469
SCOTT G MCARTHUR		5253 CERRITO DR #193	RIVERSIDE	CA	92507
ELMA ESTES	C/O CAROLYN TIMORE	PO BOX 5668	SHASTA LAKE	CA	96089
JEAN-JACQUES & MARTINE SABATIER		17779 HIGHLAND BLVD	SOMONA	CA	95476
DONALD GORDON FAM HOBBIE	DONALD G HOBBIE III TR	11675 SADDLEBACK DR	TRUCKEE	CA	96161
Burney Water District		20222 Hudson St	BURNLEY	CA	96013
Fall River Mills CSD		24850 3rd St	FALL RIVER MILLS	CA	96028
Sanford Vina Irrigation District		P.O. Box 248	VINA	CA	96092
CLARK MICHAEL GLASSON	CLARK MICHAEL GLASSON TR	PO BOX 3747	NAPA	CA	94558
HECTOR & ESQUEDA BEATRIZ ONTIVEROS		2110 GARVIN AVE	RICHMOND	CA	94801
CHARLES WILDMAN		5925 CAPITOL HILL AVE	RICHMOND	CA	94806
KATHRYN LYNN YOUNG		2145 SILKY SULLIVAN LN	RENO	NV	89502
CORP OF PRES BISHOP/CH OF JESUS CHRIST OF LDS	TAX ADMIN RE 520-1551	50 E NORTH TEMPLE 22ND FL	SALT LAKE CITY	UT	84150

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T	East Bay Community Energy Ellison	Pioneer Community Energy
Albion Power Company	Schneider & Harris LLP	Public Advocates Office
Alta Power Group, LLC	Engineers and Scientists of California	Redwood Coast Energy Authority
Anderson & Poole		Regulatory & Cogeneration Service, Inc.
Atlas ReFuel	GenOn Energy, Inc.	Resource Innovations
BART	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCD Energy Solutions
Barkovich & Yap, Inc.	Green Power Institute	San Diego Gas & Electric Company
Braun Blasing Smith Wynne, P.C.	Hanna & Morton	SPURR
California Cotton Ginners & Growers Assn	ICF	San Francisco Water Power and Sewer
California Energy Commission	iCommLaw	Sempra Utilities
California Hub for Energy Efficiency Financing	International Power Technology	Sierra Telephone Company, Inc.
California Alternative Energy and Advanced Transportation Financing Authority	Intertie	Southern California Edison Company
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Gas Company
Calpine	Johnston, Kevin	Spark Energy
Cameron-Daniel, P.C.	Kelly Group	Sun Light & Power
Casner, Steve	Ken Bohn Consulting	Sunshine Design
Center for Biological Diversity	Keyes & Fox LLP	Stoel Rives LLP
Chevron Pipeline and Power	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	TerraVerde Renewable Partners
City of San Jose	MRW & Associates	Tiger Natural Gas, Inc.
Clean Power Research	Manatt Phelps Phillips	TransCanada
Coast Economic Consulting	Marin Energy Authority	Utility Cost Management
Commercial Energy	McClintock IP	Utility Power Solutions
Crossborder Energy	McKenzie & Associates	Water and Energy Consulting Wellhead Electric Company
Crown Road Energy, LLC	Modesto Irrigation District	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	NLine Energy, Inc.	Yep Energy
Day Carter Murphy	NRG Solar	
Dept of General Services	OnGrid Solar	
Don Pickett & Associates, Inc.	Pacific Gas and Electric Company	
Douglass & Liddell	Peninsula Clean Energy	
Dish Wireless L.L.C.		