



Environmental Management
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March 27, 2017

Mr. John Roberts
Executive Director, Natomas Basin Conservancy
2150 River Plaza Drive, #460
Sacramento, CA 95833

Subject: PG&E R-300B, L-407 Phase 1 Natural Gas Pipeline Installation Project
Approval for Discharge of Groundwater from Excavation Dewatering and New Pipe
Hydrotest Water to Agricultural Parcel 35-030-025, Sacramento, California (Sutter
County)

Dear Mr. Roberts:

As part of its R-300B, Phase 1 L-407 Natural Gas Pipeline Installation Project, Pacific Gas and Electric Company (PG&E) is requesting permission to discharge construction groundwater and hydrotest water within the 12-acre area agricultural parcel shown in Figure 1 (APN 35-030-025). Construction groundwater and hydrotest water will be applied on saturated soils in a manner to avoid any ponding, and will be monitored and controlled for compliance with best management practices to prevent runoff or erosion. This natural gas pipeline project will be in construction between June 1, 2017, and October 31, 2017 (see Figure 1 for project location).

PG&E will be responsible for filtering and applying the groundwater and hydrotest water on the land parcel shown in Figure 1, located at the northwest corner of the intersection of Powerline Road and West Riego Road. Water will be applied to the land parcel in a manner requested by the land owner. Groundwater will be temporarily stored in two (2) lake tanks (each having a capacity of 1.6 million gallons) in an area on the parcel as shown in Figure 1.

PG&E also requests permission to install temporary aboveground water piping on the NBC property north of Riego Road and west of Powerline Road in order to transport groundwater from excavation and trenching activities to the land parcel owned by Mr. James Sopwith as shown in Figure 1. Best management practices will be implemented to ensure no adverse effects result from installation of temporary water piping. The temporary piping will be removed on completion of construction activities.

For use of the land parcel as described above, PG&E will provide the following compensation to NBC for maintenance and crop loss for year 2017:

1. Compensation for crop loss for year 2017 - \$33,779
2. Cost for laying conveyance water pipe to the west of Powerline Road - \$1,000

Total Compensation to Natomas Basin Conservancy (NBC) for this project- \$34,779

PG&E agrees to indemnify and hold NBC harmless against any losses, costs, damages, expenses or liabilities, including without limitation, claims or liabilities related to personal injury, wrongful death or property damage, that arise from or are connected with (i) the negligent acts or omissions or willful

misconduct of PG&E, its employees, agent or contractors; (ii) the activities described in this Letter Agreement; and (iii) any failure by PG&E to comply with the requirements of the Regional Water Quality Control Board (RWQCB) permit and any agreed methods, quality and volume limitations imposed by this Letter Agreement on the discharge of water to the parcel described herein. A sample of filtered groundwater and new pipe hydrotest water will be collected prior to land discharge to ensure that groundwater meets the RWQCB Permit discharge criteria. Analytical results will be sent to NBC prior to land discharge.

PG&E hereby requests that NBC accept the groundwater and new component hydrotest water for discharge to the designated agricultural land parcel for beneficial reuse as irrigation water or for groundwater recharge.

The following information is relevant to the proposed groundwater and new pipe hydrotest water discharge:

- A preliminary meeting and site visit will be conducted to confirm access (ingress/egress) to the land parcel;
- Prior to discharge, water quality data will be verified for suitability in accordance with the requirements of the Statewide General Waste Discharge Requirements for Discharges to Land with a Low Threat to Water Quality (General WDRs) (SWRCB WQO 2003-003-DWQ);
- Notification of the planned discharge will be made to you at least 48-hours prior to discharge to confirm discharge location;
- Groundwater may be discharged on your property for up to 6 weeks of the duration of the R-300B project;
- Application of filtered groundwater will be monitored and controlled for compliance with best management practices to prevent runoff or erosion.
- No groundwater will be applied on saturated soils in order to avoid ponding or runoff.
- PG&E accepts terms outlined in The Natomas Basin Conservancy "Agreement for Right of Entry", which will be executed concurrently.

If you agree to accept groundwater water under the conditions described above, please sign below, and return to Monika Taparia, Water Specialist, CH2M, 155 Grand Avenue, 8th Floor, Oakland, CA. If possible, in order to expedite processing of the RWQCB permit documents, we would appreciate it if you could also send the signed letter electronically to monika.taparia@ch2m.com.

Thank you very much for your consideration of this request. If you have any further questions or concerns, please contact Monika Taparia at (510) 579 2260.

Natomas Basin Conservancy

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March 27, 2017

Sincerely,



Rhonda Shiffman
Supervisor, Environmental Management
Pacific Gas and Electric Company

As authorized agent of the Natomas Basin Conservancy, I hereby authorize discharge of groundwater and new pipe hydrotest water on the designated agricultural parcel (35-030-025) located on Riego Road, in Sacramento, California, in support of PG&E's submittal of an application to the RWQCB for authorization of land discharges of groundwater dewatering and new component hydrotest water generated during construction on PG&E's R-300B new pipeline installation project.

John Roberts,
Executive Director

Date

cc: Monika Taparua/CH2M
 Chris Ellis/PG&E

Figure 1: R-300B L-407 B Phase 1 Land Discharge Area for Construction Groundwater and Hydrottest Water



AGREEMENT FOR RIGHT OF ENTRY

THIS AGREEMENT (the “Agreement”) is made and entered into and shall be effective as of May 1, 2017, by THE NATOMAS BASIN CONSERVANCY, a California Non-profit Public Benefit Corporation (“Owner”), and Pacific Gas and Electric Company (“Contractor”).

Owner and Contractor agree as follows:

1. Owner owns property in Sacramento and Sutter counties, California generally as referenced on **Exhibit A** hereto (“Owner’s Property”). Upon the terms and subject to the conditions set forth in this Agreement, Owner does hereby grant to Contractor and its representatives, contractors and agents a temporary license to enter upon those portions of Owner’s property for the purpose of temporary water treatment facilities, land discharge of filtered water, and conveyance piping on the Conservancy’s southern portion of Huffman East as shown in Figure 1 (referenced on Exhibit A).

This license shall terminate on October 31, 2017.

2. Contractor acknowledges that Owner purchased the property in furtherance of the Natomas Basin Habitat Conservation Plan and the Metro Air Park Habitat Conservation Plan (the “Plans”). The goal of the Plans is to preserve, restore and enhance habitat values found within the Natomas Basin. Contractor acknowledges awareness and respect for Owner’s management of Owner’s Property in ways which optimize the value of habitat for species protected in accordance with the Plans, including the Giant garter snake and Swainson’s hawk.

3. Contractor shall not use, load or unload pesticides on Owner’s Property without first obtaining written authorization from Owner.

4. All work authorized under this Agreement shall be performed in a prompt, proper and workmanlike manner. Contractor shall, at all times, keep Owner’s Property free from debris and rubbish that may result from the performance of its activities.

5. Contractor shall protect, indemnify, defend (with counsel acceptable to Owner) and hold Owner’s Property, Owner and Owner’s officers, directors, employees, representatives, invitees and agents free and harmless from and against any and all claims, damages, liens, stop notices, liabilities, losses, fines, penalties, costs and expenses, including reasonable attorneys’ fees and court costs, resulting from Contractor’s acts or omissions, or that of its representatives, employees, contractors, subcontractors and agents, in connection with the work performed by or on behalf of Contractor on Owner’s Property, including any of the same which may have been caused or contributed to by the negligence, whether active or passive, of Owner or its employees or agents other than Contractor. This indemnity shall not extend to claims arising from

the sole negligence or willful misconduct of Owner or its employees or agents other than Contractor. Contractor shall repair any and all damages to any portion of Owner's Property, arising out of or related (directly or indirectly) to the work performed by or on behalf of Contractor on Owner's Property. Contractor shall keep Owner's Property free and clear of any mechanics' liens or materialmen's liens arising out of or related (directly or indirectly) to the work performed by or on behalf of Contractor on Owner's Property. This indemnity shall be in addition to the indemnification set forth in the letter agreement dated March 27, 2017 between Owner and Contractor (the "Letter Agreement") and not in lieu of same. Claims may be made under either indemnity. Contractor's indemnification obligations set forth in this paragraph shall survive the termination of this Agreement or revocation or expiration of the license.

6. Contractor shall procure at its sole cost and expense and keep in effect at all times during the term of this Agreement, Commercial General Liability Insurance or Comprehensive General Liability Insurance applicable to Contractor's activities on Owner's Property.

(A) Prior to any entry onto Owner's Property by Contractor or its agents, contractors, subcontractors, agents or employees, Contractor shall deliver to Owner a certificate of insurance and appropriate endorsements to Contractor's liability insurance policy with an original signature from an authorized agent of the insurer which evidences that Contractor's liability insurance policy has been issued by an insurance company that is duly authorized to do business in California and is in good standing with the California Department of Insurance covering (i) the activities of Contractor, and Contractor's agents, contractors, subcontractors and employees on or upon Owner's Property, and (ii) Contractor's indemnity obligations as set forth in this Agreement. Such certificate and endorsements shall evidence that such insurance policy shall have a per occurrence limit of at least \$1 million and an aggregate limit of at least \$2 million, shall name Owner, Owner's officers, directors, employees, and agents as additional insured, shall be primary and non-contributing with any other insurance available to Owner and shall contain a full waiver of subrogation clause. The insurance must be written on an occurrence basis.

(B) Self Insurance. Notwithstanding anything to the contrary contained herein, Contractor shall have the right to self-insure (either through [A] straight self-insurance and/or [B] deductibles higher than \$10,000 in Constant Dollars) so long as the net worth of Contractor shall exceed Fifty Million Dollars (\$50,000,000.00). If Contractor elects to self insure, (either in whole or in part) for liability insurance or other insurance, the following shall apply if a claim, which would otherwise be covered by third party insurance required to be maintained hereby if such party had not elected to so self-insure, occurs: (I) with respect to a claim that would be covered by commercial general liability insurance, Contractor shall undertake the defense of any such claim, including a defense of Owner, at the sole cost and expense of Contractor; (II) as between Owner and Contractor, Contractor shall use its own funds to pay any claim or otherwise provide the funding which would have been available from insurance proceeds (and the deductible amount) but for the election to self-insure (and this item [II] shall not be construed in any manner to prevent or restrict Contractor

from pursuing any claim against any party, except Owner and its indemnified parties, with respect to such claim after Contractor has paid the claim); (III) to the extent that this Agreement requires that Owner be named as an additional insured, Contractor shall have the same fiduciary duties to Owner that Contractor's third party insurer would have had to Owner if (aa) such third party insurer was providing such insurance and (bb) such third party insurer had named Owner as an additional insured with respect to such insurance; (IV) the claim shall be treated as an insured claim hereunder, and (V) the expiration or termination of this Agreement or any default by Owner hereunder shall not terminate or otherwise affect obligation of Contractor to provide, through such self-insurance, the insurance coverage Contractor would otherwise be required to obtain from a third party insurer hereunder.

7. This Agreement is an accommodation to Contractor, which agrees to exercise the license and rights granted hereunder at its own risk.

8. If permits, approvals or authorizations are required by any local, state or governmental authority with respect to Contractor's activities on Owner's Property, Contractor shall, at its sole expense, obtain such permits, approvals or authorizations and provide copies thereof to Owner.

9. In the event of any dispute between the parties arising out of or relating to this Agreement or a breach thereof, the prevailing party shall be entitled to recover reasonable expenses, including attorneys' fees and costs.

10. Owner is committed to establishing and maintaining a workplace that is free from unlawful harassment and discrimination. As required by law, Owner has developed an "Anti-Harassment and Anti-Discrimination Policy" applicable to all independent contractors that is available on request. Contractor shall be responsible for informing all of its employees, representatives, contractors, and/or agents who will be entering and performing work on the Premises about this policy. In the event Contractor acquires information to suggest that this policy is being violated, Contractor shall promptly notify Owner. All employees, applicants, and independent contractors ("workers") of The Natomas Basin Conservancy ("TNBC") are to be treated with respect and dignity. TNBC is committed to providing a work environment free of unlawful harassment and discrimination. TNBC policy prohibits all harassment and discrimination because of sex, gender, race, religious creed, color, national origin or ancestry, genetic condition, physical or mental disability, medical condition, including AIDS, marital status, age, sexual orientation or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment or discrimination is unlawful. TNBC's Anti-Harassment and Anti-Discrimination policy applies to all persons involved in the operation of TNBC and prohibits unlawful harassment or discrimination by any worker of TNBC. Contractor agrees to comply with the TNBC Anti-Harassment and Anti-Discrimination Policy in Contractor's operations on the Premises and with regard to any of TNBC's employees, agents, contractors or subcontractors on or about the Premises.

Contractor's Initials

11. Together with the Letter Agreement, this Agreement constitutes the entire understanding and sole agreement of the parties relating to Contractor's right to enter onto Owner's Property and supersedes any prior written or oral agreements between them concerning such subject matter. In the event of any conflict between this Agreement and the Letter Agreement, this Agreement shall govern. This Agreement may be amended only by a writing executed by both of the parties hereto. This Agreement may not be transferred or assigned by Contractor.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above-written.

THE NATOMAS BASIN CONSERVANCY, a
Non-profit Public Benefit Corporation

Date: _____

By: _____

Name: John Roberts

Title: Executive Director

CONTRACTOR:

Pacific Gas and Electric Company

Date: _____

By: _____

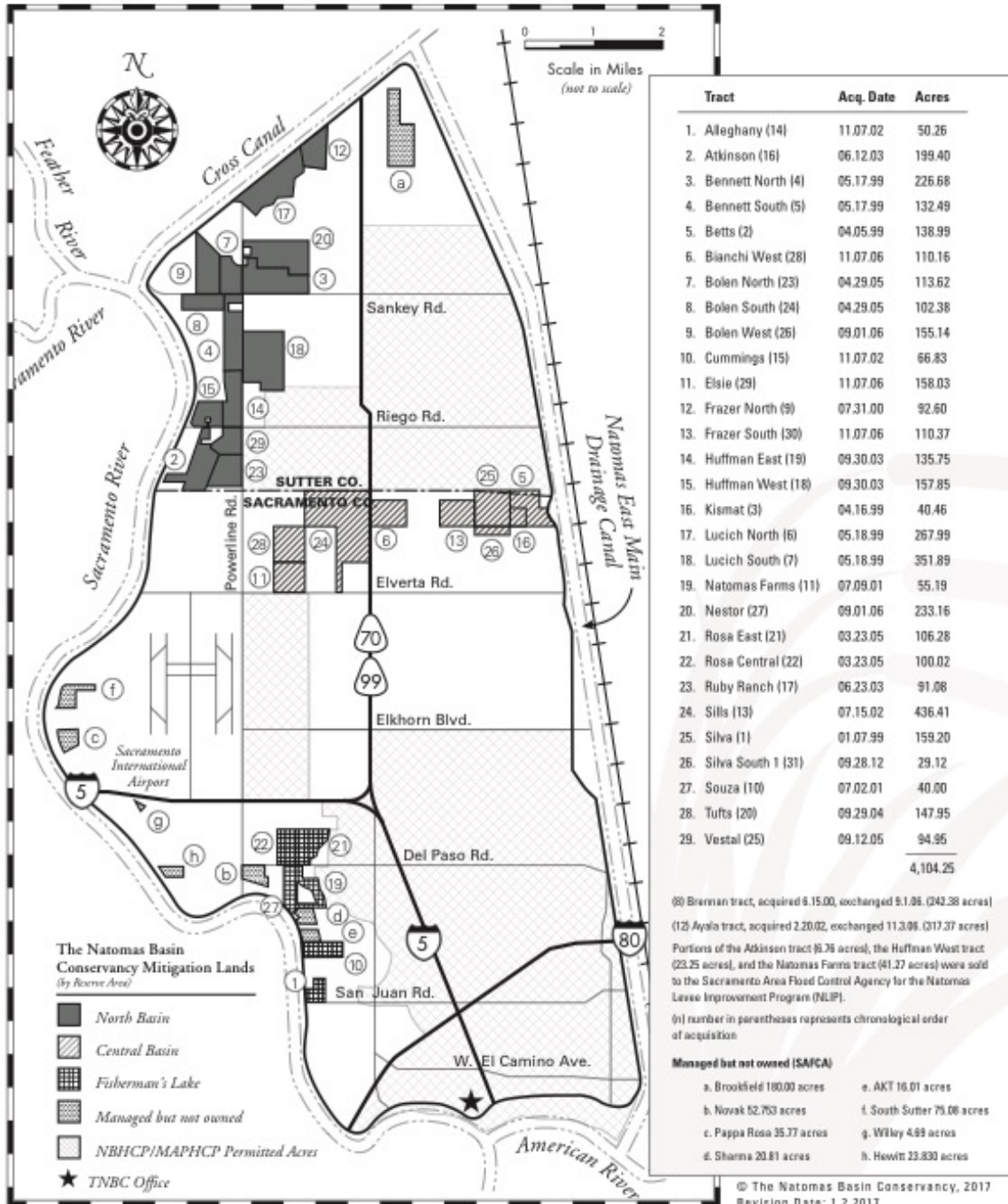
Name: _____

Its: _____

EXHIBIT A

2017 BASE MAP

THE NATOMAS BASIN CONSERVANCY



Tract	Acq. Date	Acres
1. Alleghany (14)	11.07.02	50.26
2. Atkinson (16)	06.12.03	199.40
3. Bennett North (4)	05.17.99	226.68
4. Bennett South (5)	05.17.99	132.49
5. Betts (2)	04.05.99	138.99
6. Bianchi West (28)	11.07.06	110.16
7. Bolen North (23)	04.29.05	113.62
8. Bolen South (24)	04.29.05	102.38
9. Bolen West (26)	09.01.06	155.14
10. Cummings (15)	11.07.02	66.83
11. Elsie (29)	11.07.06	158.03
12. Frazer North (9)	07.31.00	92.60
13. Frazer South (30)	11.07.06	110.37
14. Huffman East (19)	09.30.03	135.75
15. Huffman West (18)	09.30.03	157.85
16. Kismat (3)	04.16.99	40.46
17. Lucich North (6)	05.18.99	267.99
18. Lucich South (7)	05.18.99	351.89
19. Natomas Farms (11)	07.09.01	55.19
20. Nestor (27)	09.01.06	233.16
21. Rosa East (21)	03.23.05	106.28
22. Rosa Central (22)	03.23.05	100.02
23. Ruby Ranch (17)	06.23.03	91.08
24. Silis (13)	07.15.02	436.41
25. Silva (1)	01.07.99	159.20
26. Silva South 1 (31)	09.28.12	29.12
27. Souza (10)	07.02.01	40.00
28. Tufts (20)	09.29.04	147.95
29. Vestal (25)	09.12.05	94.95
		4,104.25

(8) Brennan tract, acquired 9.15.00, exchanged 9.1.06. (242.38 acres)
 (12) Ayala tract, acquired 2.20.02, exchanged 11.3.06. (317.37 acres)
 Portions of the Atkiesen tract (6.75 acres), the Huffman West tract (23.25 acres), and the Natomas Farms tract (41.27 acres) were sold to the Sacramento Area Flood Control Agency for the Natomas Levee Improvement Program (NLIP).
 (n) number in parentheses represents chronological order of acquisition

Managed but not owned (SAFCA)

a. Brookfield 180.00 acres	e. AKT 16.01 acres
b. Novak 52.753 acres	f. South Sutter 75.08 acres
c. Pappa Rosa 35.77 acres	g. Wiley 4.89 acres
d. Sharma 20.81 acres	h. Hewitt 23.830 acres