MEMORANDUM OF UNDERSTANDING

Among: CAL FIRE, SAN DIEGO UNIT

and ·

BUREAU OF LAND MANAGEMENT; PALM SPRINGS, SOUTH COAST AND EL CENTRO

and

COUNTY OF SAN DIEGO

and

LAKESIDE FIRE PROTECTION DISTRICT

and

SAN DIEGO FIRE - RESCUE DEPARTMENT

and

ALPINE FIRE PROTECTION DISTRICT

and

SAN DIEGO RURAL FIRE PROTECTION DISTRICT

and

SAN DIEGO GAS & ELECTRIC COMPANY (SDG&E)

I PURPOSE AND STATEMENT OF MUTUAL INTEREST AND BENEFIT:

Pursuant to California Public Utilities Commission (CPUC) approvals, including the Mitigation Measures set forth in the CPUC's Decision 08-12-058 (Decision), San Diego Gas & Electric Company (SDG&E) will build and maintain a major high-voltage transmission interconnect, commonly known as the Sunrise Powerlink (Sunrise), which begins at the Imperial Valley Substation and traverses in a westward direction, ending at the Sycamore Substation south of the community of Poway (see attached map). Prior to construction, agreements will be in place granting SDG&E the right to construct and maintain Sunrise on federal, state, and private land within the Sunrise corridor.

Sunrise traverses approximately 117 miles through multiple land management areas of responsibility, as well as very diverse landscapes having varying degrees of associated fire risk and fire hazards. Given that wildfire is a constant threat in Southern California, the partnering agencies in this Memorandum of Understanding (MOU) will work together to, among other things, (1) minimize the risk of a fire igniting, (2) minimize any effect of Sunrise on tactical firefighting operations in the event of a wildfire, and (3) reduce the potential wildfire impacts to residences or other structures immediately adjacent to Sunrise.

This effort will be coordinated through the Sunrise Powerlink Fire Mitigation Group (SPFMG) formed in 2009 as an unincorporated association for purposes of mutual benefit related to both the construction phase and operation of Sunrise. There are seven (7) federal, state or local fire agencies and one (1) investor owned utility who are currently members of the SPFMG. They include; SDG&E, California Department of Forestry and Fire Protection (CAL FIRE), Bureau of Land Management (BLM), San Diego Fire-Rescue Department, San Diego County Fire

Authority, Alpine Fire Protection District, Lakeside Fire Protection District and San Diego Rural Fire Protection District.

Pursuant to the Decision, the CPUC has required SDG&E to take significant mitigation measures to prevent fire ignition and conditioned its approval of Sunrise upon, among other things, SDG&E making contributions to a (i) defensible space grants fund to assist in the maintenance of defensible space requirements and in the implementation of other fire-safe measures at the private residences most at risk of a project related fire (Mitigation Measure F-1e), and (ii) firefighting mitigation fund that will improve fire prevention measures and help improve fire protection equipment and services (Mitigation Measure F-3a).

For the purpose of complying with Mitigation Measure F-1e, SDG&E may at its option establish a Sunrise Powerlink Fire Mitigation Trust Agreement (Mitigation Trust), as described in more detail below. The funding of the Mitigation Trust is subject to necessary approval by the Federal Energy Regulatory Commission (FERC) with respect to rate recovery of the costs of funding such trust. As described in more detail below, SDG&E does not intend to fund its contribution requirements for Mitigation Measure F-3a by means of a Mitigation Trust. As such, the condition of FERC approval does not apply to Mitigation Measure F-3a.

The purposes of this MOU are to (i) efficiently coordinate all aspects of agency and utility fire prevention plans and practices, (ii) establish a mechanism for defensible space grants distribution as established by the CPUC in the Decision for Mitigation Measure F-1e and (iii) assist the parties to this MOU with the implementation of the following components of the utility fire plan with existing agency fire plans; fire prevention, firefighter safety, emergency communication, fire related training for utility personnel and others as appropriate. SDG&E intends that the Sunrise Construction Fire Prevention Plan (Mitigation Measure F-1a) and SDG&E Electric Standard Practice 113.1, in conjunction with the undertakings of the parties set forth in this MOU, will meet the specific fire mitigation requirements established by the CPUC in the Decision for Mitigation Measure F-3b.

This MOU is intended to be an enduring memorandum of understanding, relevant for the entire duration Sunrise is in existence. The parties to the MOU expect that, due to environmental, regulatory and other factors, changes to how this MOU is implemented will be required. In consideration of such changes, revisions, updates or amendments to this MOU will be considered by the parties to the MOU as necessary or as requested by a party to this MOU in writing, but not less than once every five years. All revisions, updates or amendments must be supported by evidence of need or benefit, may be adopted upon 2/3 majority of voting SPFMG members and are subject to CPUC approval prior to becoming effective.

Pursuant to the terms of this MOU, not less than annually, the voting SPFMG members will each participate in the development of an annual operating plan (Annual Operating Plan). The purpose of the Annual Operating Plan is to (i) establish certain annual expenditures and responsibilities among the SPFMG members, including, but not limited to, the expenditure of funds contributed by SDG&E in compliance with Mitigation Measure F-1e, including under the Mitigation Trust, (ii) outline plans for joint projects between SDG&E and SPFMG members and (iii) serve as a means of reporting to the CPUC the use of funds contributed by SDG&E for the defensible space grants funds in compliance with Mitigation Measure F-1e, including under the Mitigation Trust and firefighting mitigation grant funds in compliance with Mitigation Measure

F-3a. The Annual Operating Plan is subject to the approval of a majority of the members of SPFMG.

SDG&E's compliance with the CPUC requirements and/or funding of any fire mitigation or suppression efforts is not intended to shift liability for any fire event for which it is otherwise liable from SDG&E to any of the parties to this MOU.

Although much of the land associated with the Sunrise Powerlink is protected by state or federal fire resources, portions do run through and adjacent to Local Responsibility Areas (LRA). It is incumbent upon all of the parties involved in this MOU to solicit input on any issues and concerns affecting these jurisdictions and apply the principles of this MOU to those concerns as well. In addition, SDG&E holds certain easements (SDG&E Easements) granting SDG&E the right to construct and maintain the Sunrise Powerlink on private land within the Sunrise Powerlink corridor (SDG&E Easement Areas).

For the reasons stated above, it will be beneficial to all parties to coordinate their efforts with respect to certain aspects of fire related activities under or adjacent to Sunrise including; fire suppression, emergency communications, education & public outreach, planning, prioritization, funding and implementation. This MOU sets forth the understandings of the parties to coordinate their efforts with respect to fire related activities under or adjacent to Sunrise, as more fully described in Section III below.

II FINANCIAL

This MOU outlines those financial commitments of SDG&E established by the CPUC in the Decision in favor of certain SPFMG member agencies to ensure that the CPUC's requirements under Mitigation Measure F-1e and Mitigation Measure F-3a can be met. This MOU encourages inter-agency coordination and planning for mutually benefitting fuels reduction work where feasible and environmentally acceptable.

The CPUC requires that SDG&E establish a Sunrise Powerlink Defensible Space Grant Fund (Mitigation Measure F-1e) in the amount equal to \$2,818,000 per year for 58 years (in 2008 dollars). In order to meet the financial commitments for the Defensible Space Grant Fund above, SDG&E intends to establish a Mitigation Trust in a form substantially similar to the form of Mitigation Trust attached hereto as Exhibit B. The parties to this MOU approve the form of the Mitigation Trust. The funding of the Mitigation Trust may be subject to necessary approval by FERC with respect to rate recovery of the costs of funding and subject to approval by the CPUC. SDG&E may fund the Mitigation Trust by (i) depositing in trust a single lump sum amount, calculated by SDG&E based on certain assumptions, to be sufficient to fund SDG&E's total contribution obligation under Mitigation Measure F-1e for the 58-year expected useful life of the Sunrise Powerlink, (ii) depositing in trust periodic payments, calculated by SDG&E based on certain assumptions, to be sufficient to fund SDG&E's periodic contribution obligations under Mitigation Measure F-1e, or (iii) any combination of (i) or (ii).

The Mitigation Trust will be established as an interest bearing fund for the benefit of those homeowners at highest risk of sustaining structural damage from an ignition related to the Sunrise Powerlink, as may be determined from time to time based on the latest fire hazard assessment and priorities as set by the Administrative Team pursuant to the standards established in the Decision and under this Memorandum of Understanding. All expenditures against the Mitigation Trust are intended to meet mitigation requirements approved by the CPUC

(Mitigation Measure F-1e). If the transmission line is de-energized and removed from service prior to year 58, SDG&E will not be required to make any contributions in support of the Defensible Space Grant Fund (Mitigation Measure F-1e) after removal of the Sunrise Powerlink from service. Upon such occurrence, the Mitigation Trust will be terminated and the balance of any funds held in the Mitigation Trust, or otherwise held for Defensible Space Grant Fund (Mitigation Measure F-1e), shall be paid to SDG&E. Additionally, when the transmission line is de-energized and removed from service, this MOU will be terminated and all Sunrise Powerlink fire mitigation requirements established in connection with this MOU shall cease.

The SPFMG will establish procedures for the approval of program criteria, grant awards and CPUC reporting for the Defensible Space Grant Fund (in compliance with Mitigation Measure F-1e) and the Firefighting Mitigation Fund (Mitigation Measure F-3a).

The Administrative Team (as described below), with the SPFMG's review and approval, will develop procedures to prequalify and maintain an active list of homeowners, groups and organizations eligible to receive funding from the Defensible Space Grant Fund to be established under the Mitigation Trust. The Administrative Team will advise SDG&E with respect to and will direct SDG&E, as administrator for the Mitigation Trust (Administrator), to engage a Grant Contractor to assist the Administrative Team with its obligations with respect to administering the Defensible Space Grant Fund in compliance with CPUC requirements and this MOU. The Administrative Team, upon recommendation by the Grant Contractor, will review, verify and approve all proposals for Defensible Space Grant Fund payments in advance of funding to ensure they meet the Defensible Space Grant Fund program objectives; provided however, that if a member of the SPFMG seeks approval of a proposal for Defensible Space Grant Fund payments, the member of the Administrative Team representing such SPFMG member may not participate in any review, verification or approval such proposal. Consistent with CPUC requirements, the Administrative Team will prepare the Administrative Team's Operating Guidelines. Disbursements of the Defensible Space Grants will occur periodically once the Annual Operating Plan is approved.

SDG&E is also required to establish a Powerline Firefighting Mitigation Fund (Mitigation Measure F-3a) in the amount of \$236,000 in the first year of operation of the Sunrise Powerlink, and \$59,000 for each subsequent year for the life of the Sunrise Powerlink (in 2008 dollars). CPUC has approved the agencies that are parties to this MOU receiving the Powerline Firefighting Mitigation funds either spread over the life of the Sunrise Powerlink or as a lump sum to be provided the first year. Each of the seven voting agencies has requested to receive and will receive the lump sum option of \$556,524 promptly following full execution of this MOU.

III THE PARTIES AGREE TO COOPERATE AND COORDINATE WITH THE FOLLOWING:

- 1. The fire agencies have reviewed and advised SDG&E in its work to develop, approve, implement, and monitor a Sunrise Construction Fire Plan, acceptable to all parties with individual exceptions or special requirements identified and agreed upon, that covers both the construction and maintenance phases of the Sunrise project. The Sunrise Construction Fire Plan is required by CPUC Mitigation Measure F-1a.
- 2. The fire agencies have reviewed and commented on SDG&E's recently amended Sempra Utilities Wildland Fire Prevention and Fire Safety Guide, also known as

- SDG&E Electric Standard Practice (ESP) 113.1, in accordance with Mitigation Measure F-1b.
- 3. Subject to the provisions of this MOU, work together to determine the best use and distribution of the SDG&E contributions to the Sunrise Powerlink Defensible Space Grant Fund (Mitigation Measure F1-e), to be distributed annually for the 58 year duration of Sunrise. The parties agree to participate on an Administrative Team to oversee, subject to the provisions of this MOU, the Defensible Space Grant Fund. The Administrative Team will be composed of one representative from each voting agency and SDG&E. The primary responsibility of the Administrative Team will be to develop and oversee the process by which grants will be distributed to homeowners and other parties from the Defensible Space Grant Fund, provide guidance to any third parties involved with the implementation of the Defensible Space Grant Funds and provide direction and help coordinate the implementation of public outreach & education programs. Work together on opportunities to coordinate public outreach and education on defensible space and fire preparedness to property owners, communities, fire safe councils and other community organizations.
- 4. Each agency will report fires in its jurisdiction that could lead to de-energizing the Sunrise Powerlink during wildfire scenarios. Each report will consider that SDG&E and the three fire agencies Communication Centers (Monte Vista, Heartland and San Diego) must share the information. The reporting agency will notify SDG&E and the other Communication Centers through their Communication Center. Upon notification, SDG&E will make a representative available to work with the Incident Commander on the timing of any power shutdown or in reverse, when the decision to re-energize the Sunrise line is being discussed or implemented. If a fire represents an immediate threat, the responsible Emergency Communication Center may notify SDG&E that the Incident Commander is requesting the power be shut off for purposes of firefighter and public safety. As determined by communication between the Incident Commander and the SDG&E Fire Coordinator, the Sunrise line will be de-energized prior to and during fire suppression activities within 1,000 feet of the transmission corridor to maintain firefighter safety. Re-energizing shall require notification to all affected fire agencies. The SDG&E Fire Coordinator assigned to the incident will have the authority to shut down the Sunrise line in areas affected by a fire.
- 5. To the extent that an agency and SDG&E may agree to undertake activities requiring the agency to enter into any SDG&E property or SDG&E Easement Areas, the agency shall execute an entry permit with SDG&E prior to entering any SDG&E property or SDG&E Easement Area, obligating the agency to (a) maintain in effect certain minimum insurance coverages to protect the agency and SDG&E from claims, losses, liabilities, costs, expenses, demands, complaints, causes of action, liens, obligations, fines and penalties (including but not limited to all investigation costs and reasonable consulting, engineering, in-house or outside attorney's fees or other professional fees) (collectively, Claims) arising out of the presence of the agency or any of its employees, agents, representatives,

contractors, subcontractors and consultants (collectively, Agency Parties) within the SDG&E property or SDG&E Easement Areas, (b) release SDG&E and SDG&E's shareholders, directors, officers, affiliates, employees, contractors, subcontractors and consultants (collectively, SDG&E Parties) from any Claims that the agency or any Agency Party may incur as a result of the presence of the agency or any of the Agency Parties within the SDG&E property or SDG&E Easement Areas, and (c) indemnify SDG&E and the SDG&E Parties against any Claims that SDG&E or any SDG&E Party may incur as a as a result of the presence of the agency or any of the Agency Parties within the SDG&E property or SDG&E Easement Areas.

IV CAL FIRE INTENDS TO:

- 1. As a voting member in the SPFMG, provide input to the Sunrise Construction Fire Prevention Plan with respect to CAL FIRE's jurisdiction and inspect and monitor SDG&E's compliance within CAL FIRE's jurisdiction.
- 2. Consult with SDG&E regarding prescribed burning on days where the reliability or integrity of Sunrise is at risk.
- 3. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on communications equipment designed to improve fire suppression capability in the vicinity of the Sunrise Powerlink.
- 4. Participate annually in SPFMG meetings.
- 5. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 6. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

V BUREAU OF LAND MANAGEMENT (BLM) INTENDS TO:

- 1. Provide input to the Sunrise Construction Fire Prevention Plan with respect to BLM's jurisdiction and inspect and monitor SDG&E's compliance within BLM's jurisdiction.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on a variety of fire prevention and suppression enhancements including increased fire patrol/prevention capability in the vicinity of Sunrise.
- 3. Participate annually in SPFMG meetings as a voting member.
- 4. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures

- and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

VI SAN DIEGO COUNTY FIRE AUTHORITY INTENDS TO:

- 1. Provide data, mapping technology, and personnel in support of planning and administration if cost-reimbursement is provided from the Defensible Space Grant Fund for the staff time and other related expenses, it being understood that there shall be no reimbursement from the Defensible Space Grant Fund for membership in the SPFMG or providing a member to the Administrative Team.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on fire equipment and apparatus, increased resources during extreme fire weather conditions, and other fire suppression-related uses for fire protection districts and volunteer fire departments.
- 3. Participate annually in SPFMG meetings as a voting member.
- 4. As more particularly described in this MOU, participate in the development of a SPFMG Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

VII SAN DIEGO FIRE-RESCUE DEPARTMENT INTENDS TO:

- 1. Provide input to the Sunrise Construction Fire Prevention Plan with respect to San Diego Fire-Rescue's jurisdiction and inspect and monitor SDG&E's compliance within San Diego Fire-Rescue's jurisdiction.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on fire equipment, apparatus and training. Specific plans include purchase of a water tender to increase suppression capability and wildland fire training specifically focused on firefighter safety when operating near the Sunrise Powerlink.
- 3. Participate annually in SPFMG meetings as a voting member.

- 4. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

VIII LAKESIDE FIRE PROTECTION DISTRICT INTENDS TO:

- 1. Provide input to the Sunrise Construction Fire Prevention Plan with respect to Lakeside's jurisdiction and inspect and monitor SDG&E's compliance within Lakeside's jurisdiction.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on increased wildfire preparedness. Specific plans include increasing fire engine staffing during periods of extreme fire danger, typical of but not limited to periods of Santa Ana winds.
- 3. Participate annually in SPFMG meetings as a voting member.
- 4. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

IX ALPINE FIRE PROTECTION DISTRICT INTENDS TO:

- 1. Provide input to the Sunrise Construction Fire Prevention Plan with respect to Alpine's jurisdiction and inspect and monitor SDG&E's compliance within Alpine's jurisdiction.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on fire suppression enhancements. These include staffing a second engine during periods of extreme fire danger, procurement of two (2) command vehicles, installation of new fire curtain in a Type 3 Engine, purchase of three 800 MHz radios, and brush rated safety equipment.
- 3. Participate annually in SPFMG meetings as a voting member.

- 4. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

X SAN DIEGO RURAL FIRE PROTECTION DISTRICT INTENDS TO:

- 1. Provide input to the Sunrise Construction Fire Prevention Plan with respect to Rural's jurisdiction and inspect and monitor SDG&E's compliance within Rural's jurisdiction.
- 2. Spend its appropriate share of the Powerline Firefighting Mitigation Fund on fire suppression enhancements. These include the purchase fire equipment for communities within the Rural Fire District that are along the approved route.
- 3. Participate annually in SPFMG meetings as a voting member.
- 4. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the proposed use of the mitigation funds provided by SDG&E to maintain continued CPUC approval of the mitigation program. This includes proposed expenditures of both mitigation funds.
- 5. Cooperate with SDG&E as the Administrator, which cooperation will include, from time to time, identifying those homeowners at highest risk of sustaining damage from an ignition related to the Sunrise Powerlink and preparation of fire hazard assessments and priorities consistent with the standards established by the CPUC, the Decision and this MOU.

XI SDG&E INTENDS TO:

- 1. Take the lead in the development of the Sunrise Construction Fire Prevention Plan and follow it through to its completion as required by Mitigation Measure F-1a.
- 2. Take the lead in amending the Sempra Utilities Wildland Fire Prevention and Fire Safety Guide (ESP 113.1) as required by CPUC Mitigation Measure F-1b.
- 3. Make applicable contributions to the Sunrise Powerline Firefighting Mitigation Fund, as required by the CPUC Mitigation Measure F-3a.
- 4. Make applicable contributions to the Defensible Space Grant Fund, as required by the CPUC Mitigation Measure F-1e.
- 5. Participate in regular meetings of the SPFMG as a non-voting member.

- 6. Obtain all necessary approvals and ensure that all environmental concerns and issues are mitigated as required pursuant to such necessary approvals for all lands within the Sunrise area that lie within the SDG&E Right of Way Areas.
- 7. Notify CAL FIRE, CNF, and BLM of those days where Sunrise's reliability is critical and prescribed burning should not take place under or immediately adjacent to Sunrise.
- 8. Support the approval by the Administrative Team of reimbursements to member fire agencies for project specific costs that are agreed upon in advance to be paid for by SDG&E from the Defensible Space Grant Fund.
- 9. As more particularly described in this MOU, participate in the development of an Annual Operating Plan for the dual purpose of laying out the annual expenditures and responsibilities by agency and as a means of reporting to the CPUC the use of the mitigation funds provided by SDG&E. This includes expenditures of both mitigation funds. SDG&E will serve as the official liaison between the SPFMG and the CPUC.
- 10. Coordinate activities of the SPFMG, be a permanent non-voting member of the Administrative Team, and provide administrative support services to both the SPFMG and Administrative Team.
- 11. Notify the California Public Utilities Commission (CPUC) of any modifications to this MOU.
- 12. As a non-voting member of the Administrative Team, provide the necessary personnel needed to provide administrative support services to the Administrative Team.

XII OTHER

- 1. This MOU is not intended as a binding agreement. This MOU creates no obligation, right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity. The parties shall manage their respective resources and activities in a separate, coordinated, and mutually beneficial manner to meet the purpose(s) of this MOU. Nothing in this MOU authorizes any of the parties to obligate or transfer funds, services, or property among the parties. Transfers of property or funds require execution of a separate agreement and are contingent upon the availability of appropriated funds. This MOU does not provide that authority. Negotiation, execution, and administration of these agreements must comply with all applicable law. Each party operates under its own laws, regulations, and policies, subject to the availability of appropriated funds. Nothing in this MOU is intended to alter, limit, or expand the agencies' statutory and regulatory authority.
- 2. Any communications affecting the operations covered by this MOU is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax to the official agency contacts listed in Part XIV, Principal Contacts. Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

- 3. This MOU in no way restricts any party hereto from participating in similar activities with other public or private agencies, organizations, and individuals.
- 4. Contributions made by any party under this MOU do not by direct reference or implication convey endorsement of such party's products or activities by any of the other parties involved.
- 5. No agency assumes liability for any third party claims for damages arising out of this instrument. As for those parties deemed a "public agency" under California law, as this MOU is not a binding agreement each party bears the responsibility and risk for its actions or inactions as provided under California Government Code §895 et seq.
- 6. Pursuant to 41 U.S.C. 22, no U.S. member of, or U.S. delegate to, Congress shall be admitted to any share or part of this instrument, or benefits that may arise therefrom, either directly or indirectly.
- 7. The parties shall immediately inform the other parties if they or any of their principals are presently excluded, debarred, or suspended from entering into covered transactions involving the Federal Government according to the terms of 2 CFR Part 180. Additionally, should the parties or any of their principals receive a transmittal letter or other official Federal notice of debarment or suspension, and then they shall notify the federal agencies in the SPFMG without undue delay. This applies whether the exclusion, debarment, or suspension is voluntary or involuntary.
- 8. Modifications within the scope of this instrument must be made by mutual consent of a two-thirds (2/3) majority of the parties to this MOU, by the issuance of a written modification signed and dated by a two-thirds (2/3) majority of the parties to this MOU. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.
- 9. Nothing in this MOU is intended by the Parties to diminish, waive or otherwise affect the privileges and immunities conferred upon the parties by operation of law.
- 10. Each Party, at its own cost, shall furnish and keep in full force and effect during all times of this Memorandum of Understanding the following insurance:
 - a. Workers' Compensation insurance covering all employees of their respective agencies.
 - b. Comprehensive Liability insurance to include general liability, automotive liability, and public officials and professional liability. These policies shall provide coverage for bodily injury and property damage in an amount not less than one million dollars (\$1,000,000.00) combined single limit per occurrence.
 - c. Any Party shall have the right to self-insure against any of the risks or portions thereof set forth above to the extent that such party has provided to the reasonable satisfaction of a majority of the parties to this MOU that such

self-insurance is sufficient to cover the risks or portions thereof set forth above.

XIII PRINCIPAL CONTACTS

Individuals or the positions listed below are authorized to act in their respective areas for matters related to this instrument. The following agency contact information will be utilized for notifications under this MOU:

CAL FIRE San Diego Unit 2249 Jamacha Rd El Cajon, CA. 92019 ATTN: Unit Chief

San Diego Rural Fire Protection District 14024 Peaceful Valley Ranch Road Jamul, CA 91935 ATTN: Fire Chief

Bureau of Land Management Palm Springs/South Coast Field Office 1201 Bird Center Drive Palm Springs, CA 92262 ATTN: Field Office Manager

Lakeside Fire Protection District 12365 Parkside St. Lakeside, CA 92040 ATTN: Fire Chief

County of San Diego Public Safety Group 734 W. Beech St., Suite 301 San Diego, CA

ATTN: County Fire Warden

San Diego Fire-Rescue Department 1010 Second Avenue, Suite 400 San Diego, CA 92101 ATTN: Fire Chief

Bureau of Land Management El Centro Field Office 1661 S. 4th St. El Centro, CA 92243 ATTN: Field Office Manager

Alpine Fire Protection District 1364 Tavern Road Alpine, CA 91901 ATTN: Fire Chief

San Diego Gas & Electric Company 8330 Century Park Court, San Diego, Ca 92123 ATTN: Vice President, Electric Operations

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the last date written below:

STATE OF CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PR SAN DIEGO UNIT	OTECTI	ON
By HOWARD WINDSOR Unit Chief	_ Date	Dee 02-201
BUREAU OF LAND MANAGEMENT PALM SPRINGS/SOUTHCOAST FIELD OFFIC	CE	
By JOHN KALISH Area Office Manager	Date	1/23/2012
BUREAU OF LAND MANAGEMENT EL CENTRO FIELD OFFICE By MARGARET L. GOODRO Area Office Manager	_Date	11/29/11
SAN DIEGO FIRE-RESCUE DEPARTMENT		
By MAINAR Fire Chief	_Date/	1/28/11
COUNTY OF SAN DIEGO		
By ROM LANE County Fire Warden	_Date	1/25/12

LAKESIDE FIRE PROTECTION DISTRICT
By Date 11/29/11 ANDY PARR Fire Chief
Fire Chief
ALPINE FIRE PROTECTION DISTRICT
By Date 1/29/11
Fire Chief
SAN DIEGO RURAL FIRE PROTECTION DISTRICT
By Date 11/28/11
Fire Chief
SAN DIEGO GAS & ELECTRIC COMPANY
By Date 11/30/12
DAVID GEIER Vice President, Electric Operations
vice Tresident, Electric Operations
SAN DIEGO GAS & ELECTRIC COMPANY
By Paprich les Date 11/22/11
PATRICK LEE Vice President, Sunrise Powerlink
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Exhibit A Sunrise Map

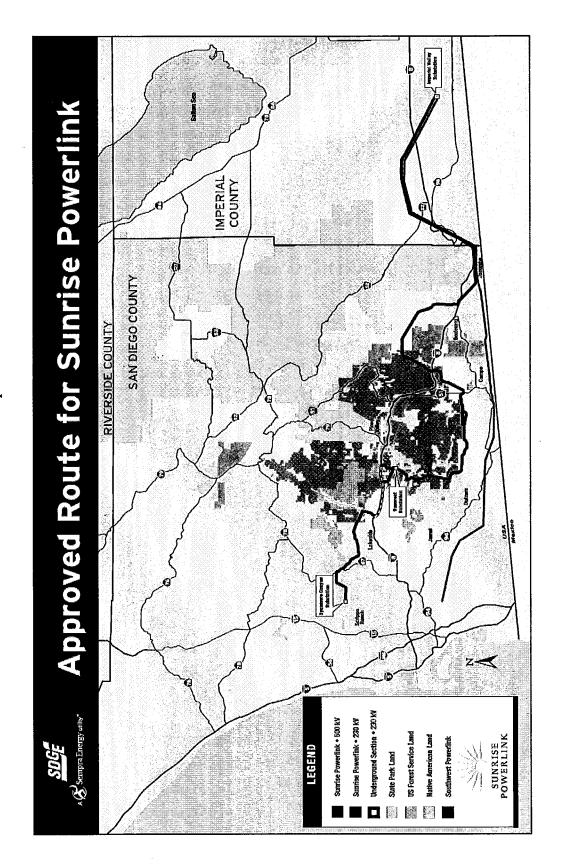


Exhibit B Form of Mitigation Trust