

MEMORANDUM OF UNDERSTANDING

Between:
COUNTY OF SAN DIEGO
and
SAN DIEGO GAS & ELECTRIC COMPANY

I PURPOSE AND STATEMENT OF MUTUAL INTEREST AND BENEFIT

As part of its East County Substation Project (Project), San Diego Gas & Electric Company (SDG&E) is planning to construct a new high-voltage electric substation and 138kV transmission line between the communities of Jacumba and Boulevard (see attached map, Exhibit A). The Project will also include the rebuild of SDG&E's existing Boulevard Substation. Prior to construction, SDG&E will be issued a Permit to Construct from the California Public Utilities Commission (CPUC) and a Record of Decision from the Bureau of Land Management (BLM), which will grant SDG&E the right to construct, operate, and maintain the Project.

The Project traverses approximately 14 miles through multiple private properties and BLM land, as well as very diverse landscapes having varying degrees of associated fire risk and fire hazards. The rebuilt Boulevard 138/69/12kV Substation and approximately 6.1 miles of the western portion of the 138kV transmission line will be located within San Diego County Fire Authority's jurisdiction. Given that wildfire is a constant threat in Southern California, SDG&E and the County of San Diego, through 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 the Project on tactical firefighting operations in the event of a wildfire, and (3) reduce the potential wildfire impacts relating to the Project upon residences or other structures near the Project that are within the Fire District's jurisdiction.

Pursuant to the Final Environmental Impact Report/Environmental Impact Statement for the Project (Final EIR/EIS), the CPUC has required SDG&E to take significant mitigation measures to reduce the risk of fire ignition, minimize the effects of the Project on firefighting operations, and reduce the potential wildfire impacts to the residences and/or structures near the Project. One of the mitigation measures (Mitigation Measure FF-3) requires SDG&E to provide a proportional funding to the San Diego County Fire Authority ("SDCFA") for a Fire Code Specialist II position and for four volunteer/reserve firefighters as part-time code inspectors on a stipend basis for up to 90 days per year for the life of the Project.

This MOU is intended to be an enduring memorandum of understanding, relevant for the life of the Project.

II MITIGATION

The CPUC requires that SDG&E pay to the Fire Authority an annual mitigation contribution (Mitigation Measure FF-3) for the life of the Project. When the Project and related facilities are decommissioned and removed from service, this MOU will be terminated and all Project fire mitigation requirements established in connection with this MOU shall cease.

SDG&E INTENDS TO:

SDG&E will provide 34% of the annual compensation for a full time fire code compliance inspector, currently classified as a SDCFA Fire Code Specialist II, and up to four (4) volunteer/reserve firefighters as part-time code inspectors for up to 90 days per year, in accordance with the proportional determination made by the California Public Utilities Commission in Mitigation Measure FF-3. The annual cost of a full time Fire Code Specialist II position is currently \$120,000. SDG&E's proportional share of this funding cost is \$40,800 per year. The annual cost of up to four volunteer/reserve firefighters as part-time code inspectors for 90 days is currently \$18,000. Thus, SDG&E's proportional share of this funding cost is \$6,120 per year. Accordingly, the total Annual Contribution shall be \$46,920 ("Base Rate"). The Base Rate shall apply as the Annual Contribution amount for each of the first two years under this MOU. The parties agree to meet and confer every two years thereafter to make adjustments to the Annual Contribution based on the actual costs associated with the positions to be partially funded under this MOU and SDG&E will thereafter make such adjusted Annual Contribution payments. SDCFA and SDG&E may modify the foregoing in accordance with paragraph III.4 below. SDG&E intends to submit its first Annual Contribution to SDCFA on or prior to initiation of construction, and then on or before that date (the "Due Date") every year thereafter for the life of the Project.

SAN DIEGO COUNTY FIRE AUTHORITY INTENDS TO:

Use the funds contributed under this MOU to provide, to the extent other proportional funding is also available, one fire code inspector to enforce existing fire code requirements, including but not limited to implementing required fuel management requirements in priority areas to be identified by the Authority. Such fire code inspector will be provided for the life of the Project. In addition, the Authority will employ up to four (4) volunteer/reserve firefighters as part-time code inspectors on a stipend basis for up to 90 days per year for the life of the Project. In the event that full funding of the Fire Protection Services is not available, the Authority will provide similar services consistent with the amount of funding available and revised need, as need for services should be in the same proportion to the amount of funding available.

III 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. Nothing in this MOU is intended to alter, limit, or expand statutory or regulatory authority.

2. Any communication 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 contacts listed in Part IV, Principal Contacts. Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.
3. At all times during the term of this MOU, SDG&E shall ensure that SDCFA, its employees, agents, volunteers, representatives, contractors, successors and assigns, and all other local, state, and federal fire-fighting and/or emergency response agencies and their respective employees, agents, volunteers, representatives, contractors, successors and assigns, have reasonable pedestrian and vehicular access to and from the Project site from the nearest public roads, over, around, and across the Project for purposes of conducting periodic inspections of construction activities, facilities, and operations to ensure that business operations are conducted in a safe manner and are consistent with all applicable fire suppression rules and regulations, the East County Substation Project Construction Fire Prevention Plan, the Sempra Utilities Wildland Fire Prevention and Fire Safety Guide (ESP 113.1), and the East County Substation Project Fire Protection Plan, and for the further purposes of providing necessary fire suppression and emergency medical support services.
4. Modifications within the scope of this instrument must be made by mutual consent of the parties to this MOU, by the issuance of a written modification signed and dated by the parties to this MOU. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.
5. 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.
6. The representative for each party signing on behalf of an entity hereby declares that authority has been obtained to sign on behalf of the entity and agrees to hold the other party hereto harmless if it is later determined that such authority does not exist.
7. Each Party, at its own cost, shall furnish and keep in full force and effect during all times of this MOU 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.

IV 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:

San Diego Fire Authority
ATTN: Herman Reddick, Group Program Manager
5510 Overland Avenue, Ste 250
San Diego, California 92123
Fax:
Email: herman.reddick@sdcounty.ca.gov

With a Copy to:


Office of County Counsel
ATTN: William A. Johnson, Jr., Senior Deputy
1600 Pacific Highway, Room 355
San Diego, California 92101-2469
Telephone: (619) 531-5801; Facsimile: (619) 531-6005
Email: William.Johnson@sdcounty.ca.gov

San Diego Gas & Electric Company
ATTN: Vice President – Electric Operations
8316 Century Park Court
San Diego, California 92123

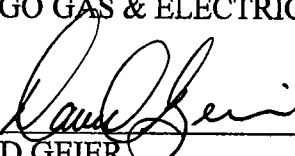
[signature page follows]

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

SAN DIEGO FIRE AUTHORITY

By  Date 1/25/13
HERMAN REDDICK
Group Program Director

SAN DIEGO GAS & ELECTRIC COMPANY

By  Date 1/25/13
DAVID GEIER
Vice President, Electric Operations

APPROVED as to legal form 

San Diego County, California

San Diego River

San Diego County Jail

0 10 Miles

☐ Proposed 138 kV Line Midpoint
☐ Existing SWFL Structure
☐ Proposed SWFL Loop-In Structure
☐ Backward Substation (inbuild)
☐ Substation Yard

----- Proposed 138 kV Overhead Line
 ----- Proposed 138 kV Underground Line
 ----- Proposed SWFL Loop-In
 ===== Existing Transmission Line

[] San Diego County Fire Authority
 [] San Diego Rural Fire Protection District
 [] Interstate
 [] Major Road
 [] Railroad

STAGE
Singer-Schulley, Inc.

NSIGNIA

1-800-000-1111



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