

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Investigation on the
Commission's Own Motion to Determine
Whether Pacific Gas and Electric Company
And PG&E Corporation's Organizational
Culture and Governance Prioritize Safety.

Investigation 15-08-019
(Filed August 27, 2015)

MOTION FOR PARTY STATUS OF NEVADA IRRIGATION DISTRICT

NEVADA IRRIGATION DISTRICT
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Dated: February 15, 2019

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Pursuant to Rules 11.1 and 1.4 (a)(4) of the California Public Utilities Commission Rules of Practice and Procedure, Nevada Irrigation District (NID) moves for party status in this proceeding.

I. DESCRIPTION OF NEVADA IRRIGATION DISTRICT

NID is a California Irrigation District, formed and existing under Division 11 of the California Water Code. NID serves both treated drinking water and irrigation supply to more than 25,000 homes and businesses in the foothills of Northern California's Sierra Nevada Mountains. NID also maintains a hydroelectric generation portfolio exceeding 82 MW, including the generation assets associated with the FERC licensed Yuba – Bear Project (P – 2266).

NID is party to a Power Purchase Agreement with PG&E, pursuant to which NID sells the bulk of its hydroelectric generation to PG&E. NID is also party to an Agreement for Coordinated Operations, pursuant to which NID and PG&E coordinate the operations of their respective Yuba Bear and Drum-Spaulding Projects (P-2310), which are operationally and hydrologically linked. Pursuant to the Agreement for Coordinated Operations, NID transports PG&E water through

NID's Yuba Bear Project, and PG&E transports NID water through the Drum-Spaulding system. The Coordinated Operations Agreement also governs PG&E's rights to store water in NID's Rollins Reservoir, and NID's right to purchase quantities of PG&E water.

NID is also party to the "Deer Creek Asset Sale and Purchase Agreement" pursuant to which NID agreed to purchase and acquire, and PG&E agreed to sell, the Deer Creek Project, consisting of approximately 19 miles of flume, canal, and pipeline, and the 5.7 MW Deer Creek Powerhouse. The Parties executed the Deer Creek Asset Sale and Purchase Agreement in November 2018 and have submitted requests for approval of the transaction to the California Public Utilities Commission pursuant to Section 851 of the Public Utilities Code.

II. NEVADA IRRIGATION DISTRICT'S INTEREST IN THIS PROCEEDING

The Assigned Commissioner's Scoping Memo and Ruling ("Scoping Memo") indicates this proceeding will review, among other topics, Public Owned Utility, Cooperative, Community Choice Aggregation or Other Models, including the following specific issues: (i) Should some or all of PG&E be reconstituted as a publicly owned utility or utilities; and (ii) Should PG&E be a "wires-only company" that only provides electric distribution and transmission services with other entities providing generation services? If so, what entities should provide generation services?

NID is interested in this proceeding and these topics in particular given the operational and hydrologic linkages between PG&E's Drum-Spaulding Project and NID's Yuba Bear Project. NID is further interested in assuring the completion of its acquisition of the Deer Creek Project, which serves a vital role in ensuring a safe, reliable supply of water to its customer base.

If permitted to become a party to this proceeding, NID would, among other things: advocate for local control of any electric generation assets PG&E may voluntarily or involuntarily divest, and for such assets to be owned and operated by entities most closely linked to the assets

which have a demonstrated history, ability, and resources to do so. NID would also provide perspective on the need to preserve the financial commitments and obligations of PG&E under existing long-term Power Purchase Agreements as necessary for the financial stability of public entities whose financial projections and budgets are predicated on PPA revenues.

III. NOTICE

Service of notices, orders, and other correspondence in this proceeding should be directed to NID at the address set forth below:

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IV. CONCLUSION

NID is uniquely situated in its operational, hydrologic, and financial relationships with PG&E. NID's interests and concerns are not likely to be expressed or represented by other parties, and NID's participation will not harm, or prejudice any party, nor delay this proceeding or broaden its scope. NID therefore respectfully requests the Commission grant this Motion and grant NID party status in this proceeding.

Respectfully submitted February 15, 2019 at Oroville, California.

By: /S/ Andrew J. McClure

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