



## OFFICE OF COUNTY ADMINISTRATOR

COUNTY OF KINGS  
GOVERNMENT CENTER

LARRY SPIKES  
COUNTY ADMINISTRATIVE  
OFFICER

August 23, 2001

Doug Wheeler, Vice President  
GWF Energy, L.L.C.  
4300 Railroad Avenue  
Pittsburgh, CA 94565

Re: State Water Project Entitlement

Dear Mr. Wheeler:

This "will serve" letter is in response to your request to the County of Kings to dedicate and assign 200 acre feet of the County's State Water project (SWP) Entitlement right to GWF Energy, LLC (GWF) for use in GWF's proposed Henrietta Peaker Project (HPP). We understand the HPP will be constructed near the Lemoore Naval Air Station. The SWP water to HPP will be wheeled to the project site by the Westlands Water District pursuant to a Wheeling Agreement with Westlands. The water will be conveyed from the California Aqueduct to the project site.

This letter shall serve to confirm that the County intends to assign and dedicate 200 acre feet of its State Water Project Entitlement right to GWF for use at the HPP. As you are aware, this entitlement right will yield 200 acre feet in a year in which the Department of Water Resources has a 100% allocation. In dry years, the subject right will yield less than the 200 acre feet of entitlement. This assignment and dedication of the entitlement shall be subject to GWF obtaining all the other necessary approvals for the HPP to become operational. The assignment will also be subject to an amendment of a present contract between the County and certain water users in Kings County which presently have contractual entitlement to the 200 acre feet, which we believe will be forthcoming.

A formal agreement between GWF and the County will have to be developed to effectuate the assignment and dedication of the entitlement right. GWF shall be responsible for reimbursing the County for all the costs and charges imposed by the Department of Water Resources relating to the subject entitlement.

Very truly yours,

  
LARRY SPIKES  
County Administrative Officer  
County of Kings

h:\westland\200acre

1400 W. LACEY BOULEVARD, HANFORD, CALIFORNIA 93230. (209) 582-3211. FAX 585-6047





## Westlands Water District

3130 N. Fresno Street, P.O. Box 6058, Fresno, California 93703-6056, (559) 224-1523, FAX (559) 241-6277

August 23, 2001

Doug Wheeler  
Vice President  
GWF Energy LLC  
4300 Railroad Avenue  
Pittsburg, CA 94565

Subject: Wheeling of State Project Water

Dear Mr. Wheeler:

I am writing to confirm the Westlands Water District will negotiate with GWF Energy, LLC (GWF) a long-term agreement for the purpose of wheeling State Water Project (SWP) water from the California Aqueduct to GWF's Henrietta Peaker Project (HPP). Such an agreement would be executed pursuant to section 1810 of the California Water Code, which requires that the District make available to water transferors up to 75% of any excess capacity in its distribution system. Our analysis indicates that sufficient capacity exists to convey water on your behalf, subject to terms and conditions that will be set forth in the agreement, which must be approved by the District's Board of Directors.

We anticipate that the SWP water will be delivered through a District meter located near the northwest corner of the proposed HPP site. Currently, the HPP site has an agricultural CVP allocation of up to 52 acre-feet associated with the 20 acre project site parcel. As you know, the allocation of CVP water to this parcel could be reduced based on water year type.

Please contact Thaddeus Bettner, at (559) 241-6215, to arrange the negotiation of the terms of the wheeling agreement. If you have any questions or comments, please contact me at your convenience.

Sincerely,

Dave Ciapponi  
Assistant General Manager

