

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.9
(ID # 27792)

MEETING DATE:
Tuesday, May 06, 2025

FROM : EXECUTIVE OFFICE AND COUNTY COUNSEL

SUBJECT: EXECUTIVE OFFICE AND COUNTY COUNSEL: Approve the Memorandum of Understanding Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility, CEQA Exempt CEQA Guidelines section 15061(b)(2), Fourth District. [Applicant Fees 100%].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find the Memorandum of Understanding Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility exempt from CEQA under CEQA Guidelines section 15061(b)(2); and
2. Approve the Memorandum of Understanding Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility, authorize the Chair of the Board of Supervisors to sign on behalf of the County, and authorize the filing of the Notice of Exemption.


ACTION:Policy


Minh C. Tran, County Counsel 5/1/2025

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: May 6, 2025
xc: EO, CO.CO., Recorder

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: 100% Local Funds			Budget Adjustment:	No
			For Fiscal Year:	25/26-27/28

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

For well over a decade, Eagle Crest Energy Company, Inc. (Eagle Crest), has been pursuing the proposal, design, environmental review, and federal permitting of a 1,300-megawatt pumped storage hydroelectric project at the Eagle Mountain Mine in Riverside County near the town of Desert Center. The Eagle Mountain Pumped Storage Hydroelectric Project (Eagle Mountain Project or Project) will be located on a combination of federal, state, and private land: approximately 675 acres managed by the U.S. Department of the Interior Bureau of Land Management, approximately 467 acres of land administered by the California State Lands Commission, and approximately 1,545 acres of private lands. The Project is designed to use reservoirs created from two mining pits and to consist of: (1) an upper and lower reservoir, (2) an underground powerhouse with four reversible pump-turbine units, (3) a 13.5-mile-long transmission line, and (4) groundwater supply facilities. The Project would operate as a pumped storage facility that would pump water from the lower reservoir to the upper reservoir during periods of low energy demand and discharge water to the lower reservoir to generate electricity during periods of high demand.

The Federal Energy Regulatory Commission (FERC) issued an original license for the Eagle Mountain Project on June 19, 2014, which approved the construction and operation of the Project pursuant to the Federal Power Act (FPA, 16 U.S.C. 791 et seq.), which establishes comprehensive federal authority for regulating hydroelectric projects. FERC has more recently amended and is in the process of again amending the license for the Project, which, among other things, extends the time period to commence construction of the Project. Under the applicable comprehensive federal authority, state and local laws, including County ordinances and most or all permitting requirements, are largely preempted, with the County having no direct approval authority over the Project's proposed hydroelectric facility. However, despite this preemption, Eagle Crest has stated that it is committed to working with the County and largely utilizing existing County processes and typical permitting standards for the development and construction of the Project, and state and local laws may still apply to certain tangential County discretionary actions and approvals if and when required. In addition, Eagle Crest has proposed funding commitments for the benefit of the County and its communities and is willing to agree to offset additional County costs relating to fire services, emergency services, administrative processing, and other services to the Project.

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The County and Eagle Crest are proposing entering into the attached Memorandum of Understanding Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility (MOU) to memorialize Eagle Crest's intentions to generally utilize County processes, although issuance of most permits and approvals by the County remains federally preempted. The MOU also sets forth parameters for funding to compensate the County for potential effects on the County from the federally approved Project, and to set forth details relating to Eagle Crest's public and community benefits, including one-time construction commencement and annual per-acre payments to begin upon the commencement of commercial operations, to the County.

Due to its status as a hydroelectric project, an Environmental Impact Statement (EIS) under the National Environmental Policy Act (NEPA) was prepared and approved for the Project. Because of federal preemption, no review under the California Environmental Quality Act (CEQA) is required for the underlying hydroelectric project itself. In addition, because the MOU only sets forth an agreement for the utilization of some County administrative processes, for funding of such administrative processes at cost to the applicant extent they are later required for the Project, and to accept funds for unidentified community benefits for currently unidentified, community benefit projects, the MOU is exempt from CEQA pursuant to the common sense exemption set forth in CEQA Guidelines section 15061(b)(2). To the extent the community benefits monies are ultimately assigned for use for a specific action taken and/or funded by the County, all necessary CEQA review will be taken at that time, as any review now for unknown projects or actions would be speculative. The attached MOU has been reviewed and approved as to form by County Counsel.

Impact on Residents and Businesses

In addition to mitigation requirements under the FERC license, the MOU specifically requires impact repairs to Kaiser Road between State Route 177 and the project site. The MOU also sets up the processes to ensure processing costs will be fully funded by Eagle Crest. Additionally, property tax revenue will be generated due to property improvements. The MOU also calls for sales tax point of sale to be the County of Riverside, except where otherwise required by law.

Public Benefits in the form of community benefits are outlined in the agreement and detailed in Exhibit B. These include a per acre annual payment for the life of the project, one-time start of construction payment and a one-time operational payment. Termination of the MOU may impact any potential revenue.

Additional Fiscal Information

As previously stated, the County will receive property and applicable sales tax revenue along with public benefits in the form of community benefit monies. Although there are

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

some timed one-time payments all other revenue will occur over the life of the of the project.
Future board action will be required on expenditures of these funds.

ATTACHMENTS:

- Memorandum of Understanding Between The County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility
- Notice of Exemption


Tina Grande 5/1/2025



Peter Aldana
Riverside County
Assessor-County Clerk-Recorder
2724 Gateway Drive
Riverside, CA 92507
(951) 486-7000
www.rivcoacr.org

Receipt: 25-138321

Product	Name	Extended
FISH	CLERK FISH AND GAME FILINGS	\$50.00
	# Pages	3
	Document #	E-202500383
	Filing Type	7
	State Fee Prev Charged	false
	No Charge Clerk Fee	false
F&G Notice of Exemption Fee		\$50.00
Total		\$50.00
Tender (On Account)		\$50.00
Account#	EO	
Account Name	EO - COUNTY EXECUTIVE OFFICE	
Balance	\$50.00	
Comment	SST3508S1232	



State of California - Department of Fish and Wildlife
2025 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
DFW 753.5a (REV. 01/01/25) Previously DFG 753.5a

RECEIPT NUMBER:

25-138321

STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY

LEAD AGENCY EMAIL

DATE

COUNTY OF RIVERSIDE FACILITIES MGMT -

MCUSHMAN@RIVCO.ORG

05/07/2025

COUNTY/STATE AGENCY OF FILING

DOCUMENT NUMBER

RIVERSIDE

E-202500383

PROJECT TITLE

MEMORANDUM OF UNDERSTANDING ("MOU") BETWEEN THE COUNTY OF RIVERSIDE AND
EAGLE CREST ENERGY COMPANY FOR THE FERC-LICENSED EAGLE MOUNTAIN PUMPED

PROJECT APPLICANT NAME

PROJECT APPLICANT EMAIL

PHONE NUMBER

COUNTY OF RIVERSIDE FACILITIES MGMT REAL

MCUSHMAN@RIVCO.ORG

(951) 955-6300

PROJECT APPLICANT ADDRESS

CITY

STATE

ZIP CODE

4080 LEMON STREET,

RIVERSIDE

CA

92501

PROJECT APPLICANT (Check appropriate box)

☒ Local Public Agency ☐ School District ☐ Other Special District ☐ State Agency ☐ Private Entity

CHECK APPLICABLE FEES:

☐ Environmental Impact Report (EIR) \$4,123.50 \$ _____
☐ Mitigated/Negative Declaration (MND)(ND) \$2,968.75 \$ _____
☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,401.75 \$ _____

☒ Exempt from fee

☒ Notice of Exemption (attach)

☐ CDFW No Effect Determination (attach)

☐ Fee previously paid (attach previously issued cash receipt copy)

☐ Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ _____

☒ County documentary handling fee \$ _____ \$50.00

☐ Other \$ _____

PAYMENT METHOD:

☐ Cash ☐ Credit ☐ Check ☒ Other

TOTAL RECEIVED \$ _____ \$50.00

SIGNATURE

X *I. Tejeda*

AGENCY OF FILING PRINTED NAME AND TITLE

Deputy Isabel Tejeda

NOTICE OF EXEMPTION

TO:



Office of Planning & Research (OPR)
P.O. Box 3044
Sacramento, CA 95812-3044



County of Riverside County Clerk
2724 Gateway Dr.
Riverside, CA 92502-1409

FROM: County of Riverside
4080 Lemon St.
Riverside, CA 92501

Project Title/Case No.: Memorandum of Understanding ("MOU") Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility

Project Location: The unincorporated area of Riverside County, including area shown on attached map

Project Description: The MOU memorializes the County's and Eagle Crest Energy Company's ("Eagle Crest") agreement to cooperate and work together and for Eagle Crest to provide community benefit funding to the County of Riverside ("County"), as set forth in Exhibit B to the MOU, for currently unidentified community benefit programs, and for Eagle Crest to generally utilize County processes for permits and to generally follow the parameters of County and State requirements where not contrary to the Federal Energy Regulatory Commission's ("FERC") previously approved license for the construction and operation of a hydroelectric project at Eagle Mountain.

Name of Public Agency Approving Project: County of Riverside

Project Applicant & Address: County of Riverside of Riverside

Exempt Status: (Check one)

☐ Ministerial (Sec. 21080(b)(1); 15268)

☐ Declared Emergency (Sec. 21080(b)(3); 15269(a))

☒ Not a Project

☐ Categorical Exemption ()

☐ Statutory Exemption ()

☒ Other: 15061(b)(3)

Reasons why project is exempt: The MOU is not a project under from the California Environmental Quality Act (CEQA) and is exempt from CEQA pursuant to State CEQA Guidelines sections 15061(b)(3), in that it can be seen with certainty that there is no possibility that the MOU may have a significant effect on the environment. The MOU merely sets forth an agreement for Eagle Crest to pay for County staff time when processing future applications consistent with Eagle Crest's previously approved FERC license and for Eagle Crest to generally utilize County administrative procedures and requirements for processing permits and projects when reviewing Eagle Crest's future applications under its FERC license, where such requirements do not conflict with the FERC license and despite the general Federal preemption applicable to the hydroelectric project as previously approved. The MOU also merely sets forth future community benefits payments and other payments to be made by Eagle Crest to the County upon reaching specified milestones, but no actions or projects have been identified that the payments will fund, making any environmental review at this point purely speculative. If a project is identified in the future that such payments will fully or partially fund, appropriate CEQA compliance will be evaluated at that time.

Melissa Cushman
County Contact Person

951-955-6300
Phone Number

FILED / POSTED

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202500383
05/07/2025 02:38 PM Fee: \$ 50.00
Page 1 of 3

05/06/2025 Item 3.9

Removed: By: Deputy


NOTICE OF EXEMPTION
Page 2

MR. VC

Signature

Supervising Deputy County Counsel

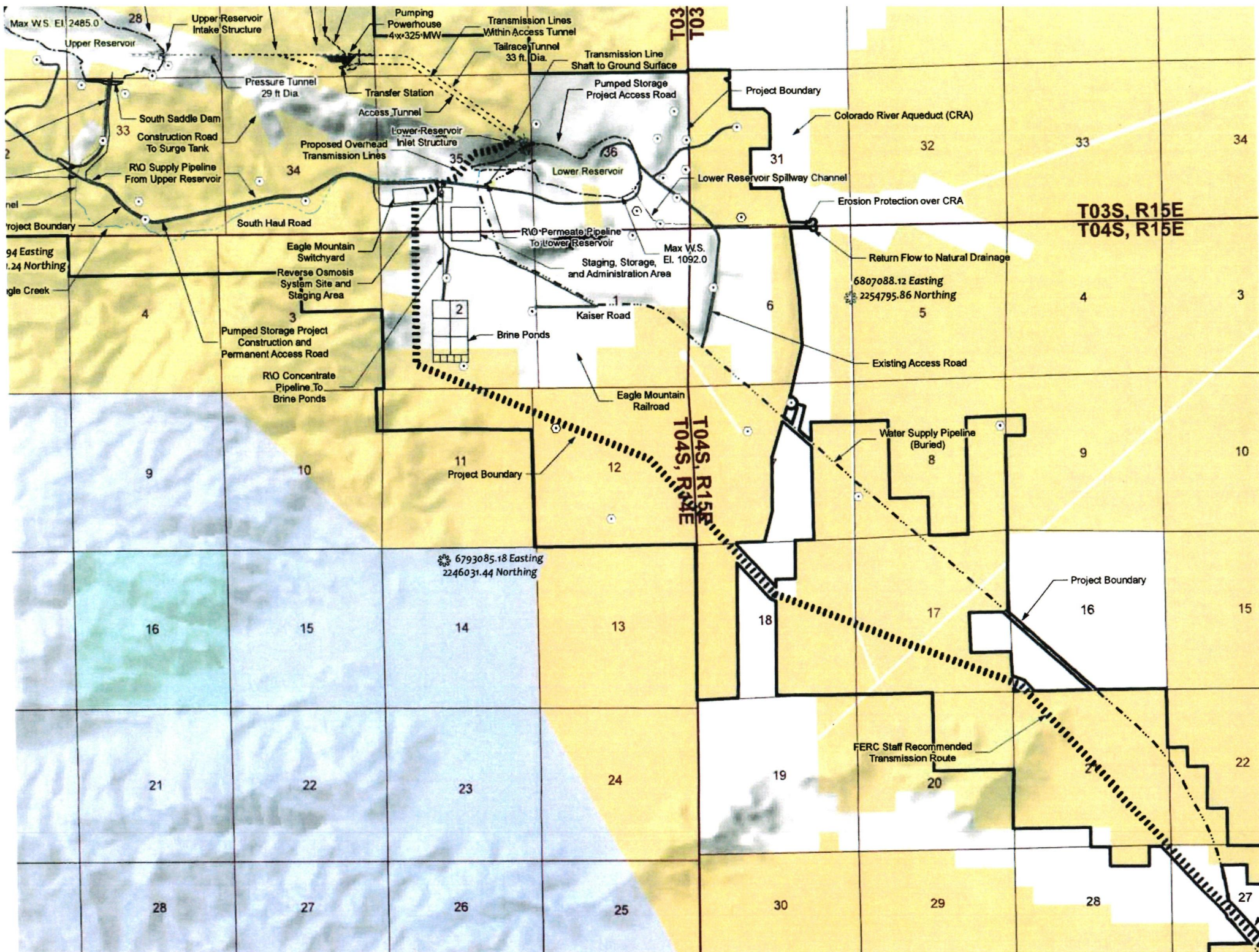
Title

May 6 2025

Date

FOR COUNTY CLERK'S USE ONLY

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COUNTY OF RIVERSIDE CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

-TO BE FILLED IN BY SUBMITTING AGENCY-

AUTHORIZATION NUMBER: _____
*Account string : Fund : 10000
Dept : 11029 00000
Account : 526410*

AMOUNT: \$50.00

DATE: 5/5/2025

AGENCY: Executive Office

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO ISSUE A VOUCHER FOR PAYMENT OF ALL FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY:

Signature: 

PRESENTED BY: _____

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: _____

DATE: _____

RECEIPT # (S) _____

Document Root (Read-Only)

Selected Document
2025050349 - NOE - Memorandum of Understanding ("MOU") Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility
<small>Riverside County Created - 5/8/2025 Submitted - 5/8/2025 Posted - 5/8/2025 Received - 5/8/2025 Published - 5/8/2025 Whitney N Mayo</small>

Document Details
Public Agency Riverside County
Document Type Notice of Exemption
Document Status Published
Title Memorandum of Understanding ("MOU") Between the County of Riverside and Eagle Crest Energy Company for the FERC-Licensed Eagle Mountain Pumped Storage Facility
Document Description The MOU memorializes the County's and Eagle Crest Energy Company's ("Eagle Crest") agreement to cooperate and work together and for Eagle Crest to provide community benefit funding to the County of Riverside ("County"), as set forth in Exhibit B to the MOU, for currently unidentified community benefit programs, and for Eagle Crest to generally utilize County processes for permits and to generally follow the parameters of County and State requirements where not contrary to the Federal Energy Regulatory Commission's ("FERC") previously approved license for the construction and operation of a hydroelectric project at Eagle Mountain.

Attachments (Upload Project Documents)
3.9 NOE - MOU Eagle Crest Co for the FERC-Licensed Eagle Mountain Pumped Storage Facility RECORDED.pdf

Contacts
County of Riverside Executive Office - <i>Melissa Cushman</i> 4080 Lemon Street Riverside, CA 92501 Phone : (951) 955-6300 mcushman@rivco.org

Regions
Southern California

Counties
Riverside

Cities
unincorporated area of Riverside County

Location Details
Other Location Info The unincorporated area of Riverside County, including area shown on attached map

Notice of Exemption
Exempt Status Other
Type, Section Number or Code Number 15061(b)(3)
Reasons why project is exempt The MOU is not a project under from the California Environmental Quality Act (CEQA) and is exempt from CEQA pursuant to State CEQA Guidelines sections 15061 (b)(3), in that it can be seen with certainty that there is no possibility that the MOU may have a significant effect on the environment. The MOU merely sets forth an agreement for Eagle Crest to pay for County staff time when processing future applications consistent with Eagle Crest's previously approved FERC license and for Eagle Crest to generally utilize County administrative procedures and requirements for processing permits and projects when reviewing Eagle Crest's future applications under its FERC license, where such requirements do not conflict with the FERG license and despite the general Federal preemption applicable to the hydroelectric project as previously approved. The MOU also merely sets forth future community benefits payments and other payments to be made by Eagle Crest to the County upon reaching specified milestones, but no actions or projects have been identified that the payments will fund, making any environmental review at this point purely speculative, If a project is identified in the future that such payments will fully or partially fund, appropriate CEQA compliance with be evaluated at that time.
County Clerk(s)
Riverside

Signature
Title
Date

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF RIVERSIDE AND EAGLE CREST ENERGY
COMPANY FOR THE FERC-LICENSED EAGLE MOUNTAIN PUMPED STORAGE
FACILITY**

This Memorandum of Understanding ("MOU") is dated and effective as of May 6, 2025, by and between the County of Riverside, a political subdivision of the state of California ("COUNTY"), and Eagle Crest Energy Company, Inc., a California corporation ("ECEC" or "OWNER"), the owner and developer of the Eagle Mountain Pumped Storage Project ("PROJECT"). The COUNTY and ECEC are referred to herein collectively as "the Parties" and individually as each a "Party."

RECITALS

WHEREAS, the PROJECT is an approximately 1,300-megawatt pumped storage project to be located on both private and federal land at the site of the active Eagle Mountain Mine, in an unincorporated area of the COUNTY, north of the Town of Desert Center; and,

WHEREAS, the Federal Energy Regulatory Commission ("FERC") issued an original license for the PROJECT on June 19, 2014, approving the construction and operation of the PROJECT under the Federal Power Act ("FPA"); and,

WHEREAS, FERC has amended and is in the process of amending the license for the PROJECT which, among other things, extends the time period to commence construction of the PROJECT and revises the location points of interconnection for the PROJECT (hereinafter referred to as the "License"); and

WHEREAS, Part 1 of the FPA, 16 U.S.C. § 791 *et seq.*, establishes comprehensive federal authority for regulating all aspects of hydroelectric projects. Under the FPA and case law precedent, there is broad federal preemption of state and local regulation of FERC-licensed hydroelectric projects; and,

WHEREAS, the FPA preempts certain COUNTY permitting requirements that may otherwise apply to the PROJECT; and,

WHEREAS, notwithstanding the broad preemptive effect of the FPA, ECEC desires to construct and operate the PROJECT in a manner that voluntarily complies, to the best of its ability, with COUNTY development, construction and building standards and in a manner that benefits the COUNTY and the community as a whole; and,

WHEREAS, the COUNTY, potentially in conjunction with other agencies, provides fire and emergency services to the PROJECT area due to the location of the PROJECT within the unincorporated COUNTY; and,

WHEREAS, ECEC has proposed specific funding commitments for the benefit of the COUNTY and community and to help offset any additional cost by the COUNTY in providing fire and emergency and other services to and for the PROJECT; and,

WHEREAS, Local Sales and Use Taxes and property tax requirements will still apply to the PROJECT and PROJECT site, with such taxes reported and remitted as required by law, with point of sale for sales tax purposes to be the County of Riverside except where otherwise required by law; and,

WHEREAS, the COUNTY recognizes the mutual benefit that can be derived if ECEC voluntarily complies with COUNTY development, construction and building standards and its funding commitments are achieved; and

WHEREAS, the Parties recognize that this MOU is an important and mutually beneficial means for furthering the relationship between the Parties and in building trust, communication and cooperation for the benefit of the entire community; and

NOW, THEREFORE, in consideration of the Recitals set forth above and incorporated herein, the Parties agree as follows:

UNDERSTANDING

1. DEFINITIONS AND EXHIBITS.

1.1 **Definitions.** The following terms when used in this MOU shall be defined as follows:

1.1.1 “MOU” means this Memorandum of Understanding.

1.1.2 “Commercial Operation Date” means the date on which the Project achieves commercial operation as determined by the date on which a regional balancing authority (*i.e.*, the entity at the first point of interconnection to the high voltage grid for purposes of delivering power at full commercial operation) to which the Project interconnects has approved OWNER’s request for initial synchronization of the Project with the regional transmission system and such initial synchronization has successfully occurred, and the regional balancing authority has approved OWNER’s request to operate the Project to its full nameplate capacity, which is the FERC rated capacity of 1,300 megawatts (MWs).

1.1.3 “Development” means the improvements for the purposes of completing the structures and facilities comprising the PROJECT including, but not limited to, the construction, operation and maintenance of facilities and infrastructure to support the PROJECT including access roads, reservoirs, buildings, power generation and pumping facilities, electrical distribution and generation interconnect tie lines and structures, groundwater wells, water pipelines, water treatment system, dams and substations.

1.1.4 “Discretionary Permits” means any action, permit, or approval which requires the COUNTY, including any Board, Commission or Department of the COUNTY and any official or employee of the COUNTY, to exercise judgment or deliberation when deciding whether or how to approve a project, and which contemplates or allows the imposition of conditions by the COUNTY, including any Board, Commission or Department of the COUNTY

and any official or employee of the COUNTY, or otherwise allows the COUNTY to shape a project, in the process of approving or disapproving any such application.

1.1.5 “Effective Date” means the date that this MOU is fully executed by all parties.

1.1.6 “FERC” means the Federal Energy Regulatory Commission.

1.1.7 “FERC License” means the Federal Energy Regulatory Commission License issued for the PROJECT pursuant to the Federal Power Act on June 19, 2014 (FERC Project No. 13123-002, 147 FERC ¶ 61,220), and amendments thereto.

1.1.8 “Local Sales and Use Taxes” means the one percent sales and use taxes imposed pursuant to and governed by the Bradley-Burns Uniform Local Sales and Use Tax Law, Revenue and Taxation Code Section 7200 *et seq.*

1.1.9 “Ministerial Permits” means all non-discretionary permits and other entitlements typically subject to issuance by COUNTY in connection with development activities.

1.1.10 “OWNER” means the persons and entities listed as OWNER on the first page of this MOU and their successors in interest to all or any part of the PROJECT.

1.1.11 “PROJECT” means the development of the Property into a pumped storage hydroelectric project as contemplated by the FERC License or any original, new, or subsequent licenses issued by FERC, as each may be amended.

1.1.12 “Property” means the real property shown on Exhibit “A” to this MOU.

1.1.13 “Transfer” means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this MOU:

Exhibit “A” – Map Showing Property and Location.

Exhibit “B” – Per Acre Annual Payment Matrix

2. GENERAL PROVISIONS.

2.1 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.2 Term. The term of this MOU shall commence on the Effective Date and shall continue for the life of the PROJECT (expected to be sixty (60) years) unless this term is modified or extended pursuant to the provisions of this MOU.

2.3 Transfer.

2.3.1 Right to Transfer. OWNER shall have the right to transfer any of its interests in the Property or PROJECT in whole or in part to any person, partnership, joint venture, firm or corporation at any time during the term of this MOU; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this MOU.

2.4 Amendment of MOU. This MOU may be amended only by written consent of both parties.

2.5 Termination. This MOU shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the stated term of this MOU as set forth in Section 2.2.

(b) Notice by ECEC to the COUNTY that it is not proceeding with commercial development of the PROJECT.

(c) Notice by either Party that the other Party is in non-compliance with the material terms of the AGREEMENT, following the exhaustion of the Dispute Resolution process set forth in Section 5.13.

ECEC shall have no obligation under this MOU to proceed with the commercial development of the PROJECT. Upon the termination of this MOU, no Party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this MOU which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this MOU.

2.6 Notices.

(a) As used in this MOU, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder, including service of process.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested or equivalent, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows, with the below also serving as designated individual for service of process:

If to COUNTY:

Clerk of the Board of Supervisors
County Administrative Center
4080 Lemon Street, First Floor
Riverside, CA 92502
Fax No. (951) 955-1071

with copies to:

County Executive Officer
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, CA 92501
Fax No. (951) 955-1105

and

Planning Director
Transportation and Land Management Agency
County Administrative Center,
4080 Lemon Street, 12th Floor
Riverside, CA 92501
Fax No. (951) 955-1817

and

County Counsel
County of Riverside
3960 Orange Street, Suite 500
Riverside, CA 92501
Fax No. (951) 955-6363

If to OWNER:

Eagle Crest Energy Company, Inc.
700 Universe Boulevard
Juno Beach, FL 33408
Attn: Kerry Hattevik
Fax No. (561) 691-7307

with a copy to:

NextEra Energy Resources, LLC
700 Universe Boulevard

Juno Beach, FL 33408
Attn: Vice President & General Counsel
Fax No. (561) 691-2988

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Applicable County Standards. Development of the Property shall comply, to the extent feasible, with the COUNTY's rules, regulations, ordinances, and official policies for Ministerial Permits that would otherwise be applicable to the PROJECT on the Effective Date if not for the preemptive effect of the FPA and the FERC License. To the extent there are any changes to the COUNTY's general plan, specific plans, zoning ordinance, or any future rules, ordinances, regulations or policies adopted by the COUNTY, after the Effective Date, and which would otherwise be applicable to the PROJECT or Property if not for the preemptive effect of the FPA, but are inconsistent with the terms and conditions of this MOU, the terms of this MOU shall prevail, unless the Parties mutually agree to amend or modify this MOU.

3.2 Effect of MOU on Discretionary and Ministerial Permits. COUNTY acknowledges and agrees that the FPA preempts COUNTY authority to issue Discretionary Permits for most circumstances relating to the PROJECT as prescribed by the U.S. Constitution, federal statute and case law. Except as otherwise required by the terms of the FERC License, the OWNER will use best efforts to develop and use the Property consistent with COUNTY rules, regulations, ordinances, and official policies applicable to Ministerial Permits and governing construction standards and specifications including, without limitation, Ordinance No. 348 the County Land Use Ordinance, Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code, Ordinance No. 787, and Ordinance No. 555 (including compliance with the Surface Mining and Reclamation Act of 1975, Public Resources Code section 2710 *et seq.*, as amended, and the approved Reclamation Plan covering a portion of the Property). OWNER will use best efforts to comply with such construction standards and specifications to the extent feasible, so long as such construction standards and specifications do not interfere with, conflict with, or frustrate the development or operation of the Project as approved by FERC, in acknowledgment that the aforementioned laws and requirements apply to the COUNTY and may affect the COUNTY's processing of and ability to approve certain applications. When OWNER works to comply with such construction standards and specifications, OWNER and its agents will collaborate with COUNTY agencies and departments to ensure optimal compliance with COUNTY rules, regulations, ordinances, and official policies applicable to Ministerial Permits and governing construction standards and specifications, including inspections by County staff to ensure compliance with relevant code requirements. Notwithstanding the foregoing, OWNER in its sole discretion may decide to submit applications to COUNTY agencies and departments for any Ministerial Permits or other approvals.

3.3 Changes and Amendments. The Parties acknowledge that refinement and further development of the PROJECT may require changes or deviations from any Ministerial Permits or approvals for which OWNER voluntarily applies. In the event OWNER finds that a change in any application for, or issued, Ministerial Permit or similar approval is appropriate, OWNER may apply for a revised permit or substantial conformance, as may be required or appropriate. Any change to any Permit or similar approval shall not require an amendment to this MOU.

3.4 Kaiser Road Repair. OWNER agrees that any physical damage to Kaiser Road (Riverside County Route R2) between State Route 177 and the PROJECT site entrance due to PROJECT construction will be repaired by OWNER, and Kaiser Road shall be in materially similar condition after the PROJECT is constructed as it was before PROJECT construction commenced.

3.5 Reservations of Authority.

3.5.1 Limitations, Reservations and Exceptions. OWNER agrees to comply with the following COUNTY requirements with respect to the PROJECT, except to the extent in conflict with the FERC License or purposes of the FPA:

(a) COUNTY permit processing fees and staff time costs associated with processing Ministerial Permits, other staff time related to the preparation and implementation of this MOU, and any other processing of matters related to the PROJECT are to be paid for via the County's deposit based fee system, under which the OWNER will deposit funds and on which the County will draw to cover staff time for processing permits and any other work related to the PROJECT.

(b) Procedural regulations relating to notices, records, hearings, reports, recommendations, and any other matter of procedure may be complied with to the extent any such procedural regulations may be applicable to the PROJECT.

3.5.2 Conflict with Federal or State Law. In the event that federal or State of California laws, regulations, rules or decisions prevent or preclude compliance with one or more of the provisions of this MOU, such provisions of this MOU shall be modified or suspended as may be necessary to comply with such federal or State laws or regulations; provided, however, that this MOU shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.3 Intent. The Parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This MOU shall be construed, contrary to its stated terms if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.6 Regulation by Other Public Agencies. It is acknowledged by the Parties that other public agencies not within the control of COUNTY (*i.e.*, FERC) may possess authority to

condition aspects of the development of the Property separately from or jointly with COUNTY, and this MOU does not limit the authority of such other public agencies.

4. PUBLIC BENEFITS.

4.1 Public Benefits. OWNER agrees to provide certain public and community benefits as part of the construction and operation of the PROJECT as set forth below:

4.1.1 Community Benefits Payments. OWNER shall make the following payments to the COUNTY to compensate the COUNTY for the potential effects of the Project on the COUNTY and its residents and to assist the COUNTY in funding necessary public, community and emergency services associated with the Project. The payments shall consist of the following:

(a) Per Acre Annual Payment. OWNER shall make an annual payment to the COUNTY based on a per acre fee of two hundred dollars (\$200.00)/acre commencing one (1) year after the Commercial Operation Date of the Project and recurring annually each year thereafter, and payable each July 1. The first year payment shall be pro-rated, calculated on a daily basis, from the date due (i.e., one year after the Commercial Operation Date) until the following July 1, and thereafter paid on an annual basis on each July 1. The per acre fee shall be calculated based on the final acreage of the PROJECT as determined by the FERC License as of the Commercial Operation Date. The amount of the per acre annual payment shall increase annually by two (2) percent and continue through the life of the PROJECT or until such time as this MOU is terminated pursuant to Section 2.5.

(b) One Time Start of Construction Payment. OWNER shall make a single, one-time payment to the COUNTY in the amount of seven and one-half million dollars (\$7,500,000) within sixty (60) business days of the issuance of a notice by FERC to OWNER that it has satisfied all pre-construction requirements and may commence construction of the PROJECT within the meaning of Section 13 of the FPA. FERC does not consider preliminary site-related surveying, testing and assessment work to evaluate site and resource conditions (e.g., geotechnical testing, well installation and groundwater resource evaluation, site surveys) to meet the meaning of Section 13 of the FPA, and such work shall not be deemed notice of commencement of construction pursuant to this MOU.

(c) One Time Commercial Operation Payment. OWNER shall make a single, one-time payment to the COUNTY in the amount of five million dollars (\$5,000,000) within sixty (60) business days of the Commercial Operation Date of the PROJECT.

5. MISCELLANEOUS PROVISIONS.

5.1 Entire MOU. This MOU sets forth and contains the entire understanding of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this MOU.

5.2 Hold Harmless. OWNER or any successor in interest to OWNER shall defend, indemnify, and hold harmless the COUNTY or its agents, officers, and employees from the following:

(a) any claim, action, or proceeding against the COUNTY to attack, set aside, void, or annul an approval of the COUNTY, its advisory agencies, appeal boards, or legislative body concerning this MOU or the PROJECT; and,

(b) any claim, action or proceeding against the COUNTY to attack, set aside, void or annul any other decision made by the COUNTY concerning the MOU or the PROJECT, including, but not limited to, decisions made in response to any California Public Records Act ("CPRA") requests; and

(a) and (b) above are hereinafter collectively referred to as "LITIGATION."

The COUNTY shall promptly notify OWNER of any LITIGATION and shall cooperate fully in the defense of that LITIGATION. If the COUNTY fails to promptly notify the OWNER of any such LITIGATION or fails to cooperate fully in the defense, the OWNER shall not, thereafter, be responsible to defend, indemnify or hold harmless the COUNTY. The Parties agree to retain a single law firm to serve as litigation counsel for both Parties unless an actual conflict of interest exists, in which case separate counsel may be retained by each Party. The obligations imposed by this condition include, but are not limited to, the following: OWNER shall pay all legal services expenses the COUNTY incurs in connection with any such LITIGATION, whether it incurs such expenses directly, whether it is ordered by a court to pay such expenses, or whether it incurs such expenses by providing legal services through its Office of County Counsel. Payment for COUNTY's expenses related to the LITIGATION shall be made on a deposit basis. Within thirty (30) days of receipt of notice from COUNTY that LITIGATION has been initiated, OWNER shall initially deposit with the COUNTY's Planning Department the total amount of Twenty Thousand Dollars (\$20,000). OWNER shall deposit with COUNTY such additional amounts as COUNTY reasonably and in good faith determines, from time to time, are necessary to cover costs and expenses incurred by the COUNTY, including but not limited to, the Office of County Counsel, Riverside County Planning Department and the Riverside County Clerk of the Board associated with the LITIGATION. To the extent such costs are not recoverable under the CPRA from the records requestor, OWNER agrees that deposits under this section may also be used to cover staff time incurred by the COUNTY to compile, review, and redact records in response to a CPRA request made by a petitioner in any legal challenge to the PROJECT when the petitioner is using the CPRA request as a means of obtaining the administrative record for LITIGATION purposes. Within ten (10) days of written notice from COUNTY, OWNER shall make such additional deposits. The COUNTY shall provide OWNER with a detailed accounting of all costs and expenses including expenses incurred by providing legal services through its Office of County Counsel or staff time incurred by the COUNTY for which the COUNTY seeks reimbursement by the OWNER in advance of drawing from the deposit made by the OWNER.

5.3 Severability. If any term, provision, covenant or condition of this MOU shall be determined invalid, void or unenforceable, the remainder of this MOU shall not be affected

thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this MOU. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4 of this MOU, including the payments set forth therein, are essential elements of this MOU and COUNTY would not have entered into this MOU but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire MOU shall be null and void and of no force and effect whatsoever.

5.4 Interpretation and Governing Law. This MOU and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This MOU shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this MOU, all parties having been represented by counsel in the negotiation and preparation hereof.

5.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this MOU.

5.6 Joint and Several Obligations. If at any time during the term of this MOU the Property is owned, in whole or in part, by more than one Owner, all obligations of such Owners under this MOU shall be joint and several, and the default of any such Owner shall be the default of all such Owners.

5.7 Time of Essence. Time is of the essence in the performance of the provisions of this MOU as to which time is an element.

5.8 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this MOU by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this MOU thereafter.

5.9 No Third-Party Beneficiaries. This MOU is made and entered into for the sole protection and benefit of the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this MOU.

5.10 Force Majeure. Neither Party shall be deemed to be in default where failure or delay in performance of any of its obligations under this MOU is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the Party's control (including the Party's employment force). If any such events shall occur, the term of this MOU and the time for performance by either Party of any of its obligations hereunder may be extended by the written agreement of the Parties for the period of time that such events prevented such performance, provided that the term of this MOU shall not be extended under such circumstances for more than five (5) years.

5.11 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefited thereby of the covenants to be performed hereunder by such benefited Party.

5.12 Successors in Interest. The burdens of this MOU shall be binding upon, and the benefits of this MOU shall inure to, all successors in interest to the Parties to this MOU. All provisions of this MOU shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each Party and each successor in interest during ownership of the Property or any portion thereof.

5.13 Counterparts and Electronic Signatures. This MOU may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this MOU agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA"), Civ. Code, §§ 1633.1 to 1633.17), for executing this MOU. The Parties further agree that the electronic signatures of the Parties included in this MOU are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

5.14 Dispute Resolution. Prior to pursuing any action at law or in equity relating to this MOU, each Party shall, whenever possible, attempt to resolve informally any grievances, complaints or disputes that are brought to its attention via Notice from the other Party. If the issue is not informally resolved within two weeks of such Notice, the Parties shall meet and confer in good faith in attempt to determine a resolution, potentially including mediation or non-binding arbitration if desired by one or both of the Parties, the costs of which shall be shared equally between the Parties.

5.15 Jurisdiction and Venue. Only after pursuing the dispute solution procedures set forth in Section 5.13, any action at law or in equity arising under this MOU or brought by a Party hereto for the purpose of enforcing, construing or determining the validity of any provision of this MOU shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

5.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the development of the Project is a private development, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this MOU. No partnership, joint venture or other association of any kind is formed by this

MOU. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

5.17 Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this MOU and the satisfaction of the conditions of this MOU. Upon the request of either Party at any time, the other Party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this MOU to carry out the intent and to fulfill the provisions of this MOU or to evidence or consummate the transactions contemplated by this MOU.

5.18 Eminent Domain. No provision of this MOU shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain.

5.19 Designation of COUNTY Officials. Except for functions that must be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this MOU as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.6; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

5.20 Authority to Execute. The person executing this MOU on behalf of OWNER warrants and represents that he has the authority to execute this MOU on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this MOU on the day and year set forth below.

Dated: 4/30/25

EAGLE CREST ENERGY COMPANY, INC.

By: Kerry Hattvik
Kerry Hattvik, Vice President

Dated: MAY 06 2025

COUNTY OF RIVERSIDE

By: V. Manuel Perez
V. Manuel Perez, Chair, Board of Supervisors

ATTEST:

KIMBERLY RECTOR
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM:

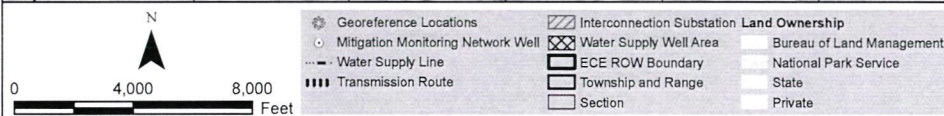
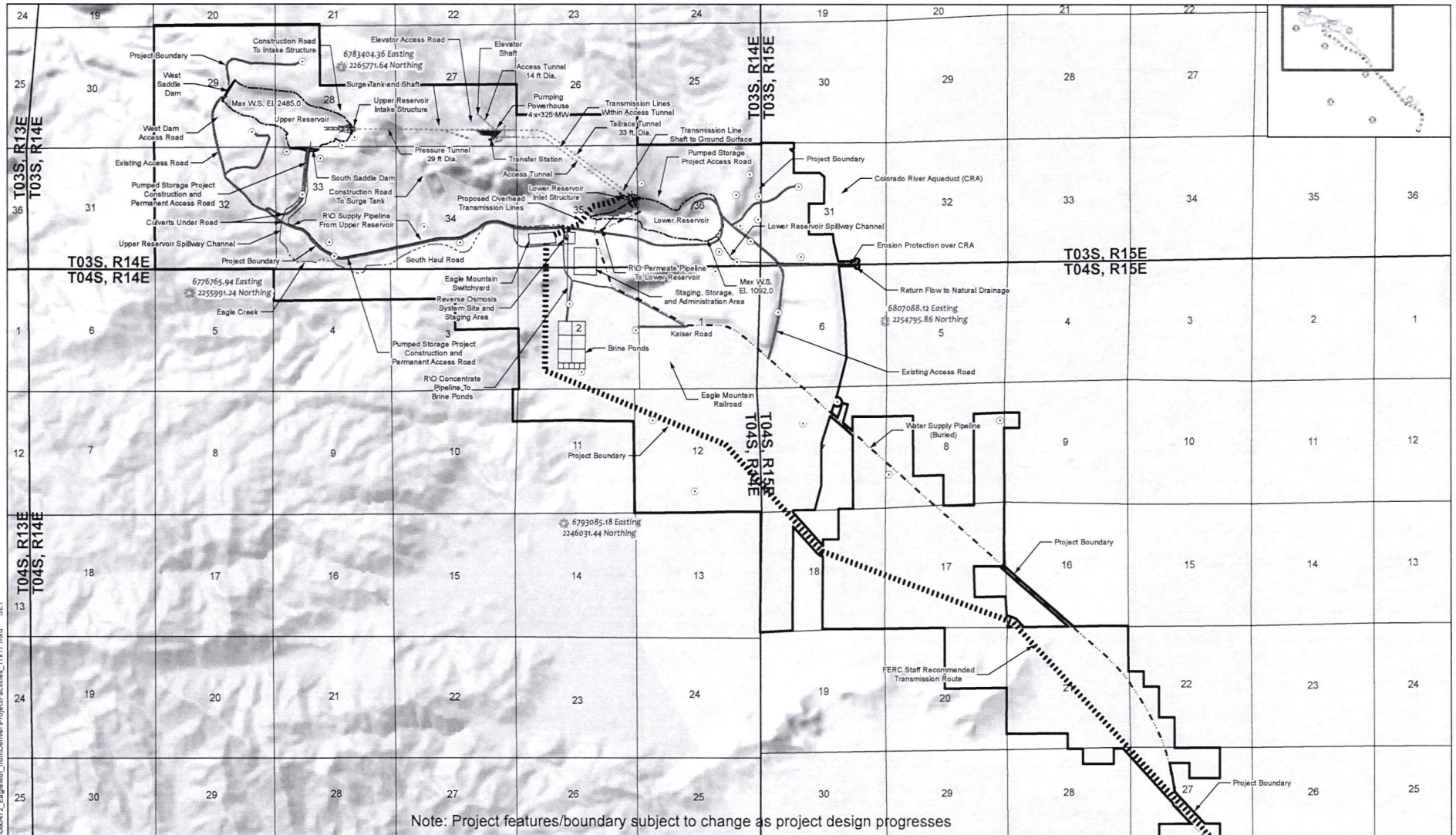
MINH C. TRAN,
County Counsel

By: [Signature]
Melissa R. Cushman,
Supervising Deputy County Counsel

Exhibit A

Map Showing Property and Location (2)

18-Dec-2015 2: Projects\00472_EagleMtn_fromDenver\Project\Setfiles_11x17.mxd SET



Eagle Mountain Pumped Storage Project
Eastern Riverside County, California



PROJECT BOUNDARY
AND PROJECT FEATURES

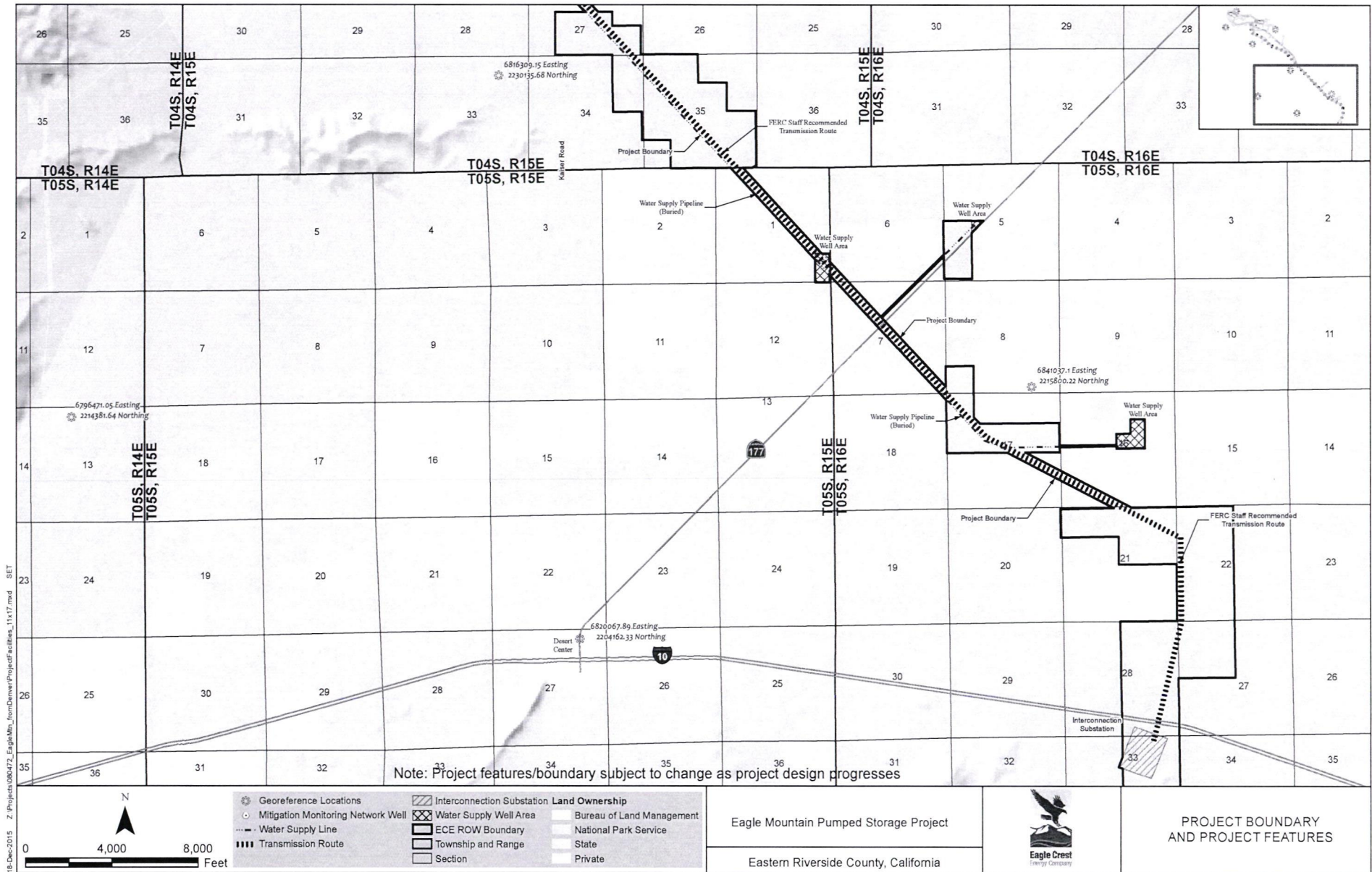


Exhibit B

Per Acre Annual Payment Matrix

**Eagle Crest Project
Total Community Benefit**

\$77,413,858

Project Acres - Riverside County

2,527

Up-Front Payments

\$7,500,000

Within 60 days after the official Start of Construction which is the Notice to Proceed under the FERC Permit (2028 estimate)

\$5,000,000

Within 60 days after COD (Commercial Operation Date) which is when power flows to grid, estimated to be 2033

Eagle Crest Annual CB Payment

60 Year Total: \$64,913,858

Total Project Acres	Project Year	Year	Per Acre Fee (2% inc/yr)	Annual CB Fee
Construction Phase	1	2028	\$ 200.00	\$ -
	2	2029	\$ 204.00	\$ -
	3	2030	\$ 208.08	\$ -
	4	2031	\$ 212.24	\$ -
	5	2032	\$ 216.49	\$ -
	6	2033	\$ 220.82	\$ -
Operations	7	2034	\$ 225.23	\$ 569,162
	8	2035	\$ 229.74	\$ 580,546
	9	2036	\$ 234.33	\$ 592,157
	10	2037	\$ 239.02	\$ 604,000
	11	2038	\$ 243.80	\$ 616,080
	12	2039	\$ 248.67	\$ 628,401
	13	2040	\$ 253.65	\$ 640,969
	14	2041	\$ 258.72	\$ 653,789
	15	2042	\$ 263.90	\$ 666,865
	16	2043	\$ 269.17	\$ 680,202
	17	2044	\$ 274.56	\$ 693,806
	18	2045	\$ 280.05	\$ 707,682
	19	2046	\$ 285.65	\$ 721,836
	20	2047	\$ 291.36	\$ 736,272
	21	2048	\$ 297.19	\$ 750,998
	22	2049	\$ 303.13	\$ 766,018
	23	2050	\$ 309.20	\$ 781,338
	24	2051	\$ 315.38	\$ 796,965
	25	2052	\$ 321.69	\$ 812,904
	26	2053	\$ 328.12	\$ 829,162
	27	2054	\$ 334.68	\$ 845,746
	28	2055	\$ 341.38	\$ 862,660
	29	2056	\$ 348.20	\$ 879,914
	30	2057	\$ 355.17	\$ 897,512
	31	2058	\$ 362.27	\$ 915,462
	32	2059	\$ 369.52	\$ 933,771
	33	2060	\$ 376.91	\$ 952,447
	34	2061	\$ 384.45	\$ 971,496
	35	2062	\$ 392.14	\$ 990,926
	36	2063	\$ 399.98	\$ 1,010,744
	37	2064	\$ 407.98	\$ 1,030,959
	38	2065	\$ 416.14	\$ 1,051,578
	39	2066	\$ 424.46	\$ 1,072,610
	40	2067	\$ 432.95	\$ 1,094,062
	41	2068	\$ 441.61	\$ 1,115,943
	42	2069	\$ 450.44	\$ 1,138,262
	43	2070	\$ 459.45	\$ 1,161,027
	44	2071	\$ 468.64	\$ 1,184,248
	45	2072	\$ 478.01	\$ 1,207,933
	46	2073	\$ 487.57	\$ 1,232,092
	47	2074	\$ 497.32	\$ 1,256,733
	48	2075	\$ 507.27	\$ 1,281,868
	49	2076	\$ 517.41	\$ 1,307,505
	50	2077	\$ 527.76	\$ 1,333,655
	51	2078	\$ 538.32	\$ 1,360,329
	52	2079	\$ 549.08	\$ 1,387,535
	53	2080	\$ 560.07	\$ 1,415,286
	54	2081	\$ 571.27	\$ 1,443,592
	55	2082	\$ 582.69	\$ 1,472,463
	56	2083	\$ 594.35	\$ 1,501,913
	57	2084	\$ 606.23	\$ 1,531,951
	58	2085	\$ 618.36	\$ 1,562,590
	59	2086	\$ 630.72	\$ 1,593,842
	60	2087	\$ 643.34	\$ 1,625,719
	61	2088	\$ 656.21	\$ 1,658,233
	62	2089	\$ 669.33	\$ 1,691,398
	63	2090	\$ 682.72	\$ 1,725,226
	64	2091	\$ 696.37	\$ 1,759,730
	65	2092	\$ 710.30	\$ 1,794,925
	66	2093	\$ 724.50	\$ 1,830,823
TOTAL:				\$ 64,913,858