MINUTE ITEM
This Calendar Item No. C80 was approved as Minute Item No. 80 by the California State Lands Commission by a vote of 3 to Ø at its 9-17-01 meeting.

CALENDAR ITEM
C80

A 54

S 27

9/17/01
W 40831
S. Curran

CONSIDER AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE THE POWER PLANT GAS USAGE AGREEMENT FOR THE LONG BEACH UNIT POWER PLANT, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY

APPLICANT:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825-8202

BACKGROUND:

The Long Beach Unit (LBU) is a unitized oil and gas development and production operation encompassing tide and submerged lands granted in trust to the city of Long Beach (Tract 1), tide and submerged lands known as the Alamitos Beach Park Lands where the State has reserved the minerals (Tract 2), and upland parcels in downtown Long Beach (Townlot). Tract 1 is by far the largest part of the LBU from which about eighty-six percent (86%) of production comes and to which eighty-six percent (86%) of the Unit Expense is allocated. Production operations are conducted from four offshore drilling islands and several onshore sites. The Unit Operator is the city of Long Beach (City). Unit operating activities are performed for the City by a Field Contractor, which also has the right to produce and the obligation to take and pay for the oil allocated to Tract I. The City's current Field Contractor is Oxy Long Beach, Inc. (OLBI), a subsidiary of Occidental Petroleum Corporation (Oxy). OLBI has been the Field Contractor since April 2000. Actual day-to-day operations are conducted by THUMS Long Beach Company (THUMS), which is owned by OLBI and is the agent for the Field Contractor. Operations in the LBU are governed by Chapter 138 of the Statutes of 1964, First Extraordinary Session, the Long Beach Unit Agreement and Unit Operating Agreement, the Contractors' Agreement, the

Tract No. 2 Agreement and the Optimized Water Flood Agreement. Net profits from oil production operations in the tidelands portions of the LBU are divided among the State, the City and OLBI. All revenues from dry gas production Tract 1 go to the State.

All LBU field facilities operate on electric power. The LBU currently has a load requirement of 57 megawatts. Electrical power is by far the largest single item of cost for the LBU. Changes in electrical rates will significantly affect the LBU's profitability. The LBU purchases all of its electric power at market price from Southern California Edison (SCE). The current cost has increased to $48 million per year, which is 27 percent (27%) of all LBU expenses. A substantial saving on electrical power will substantially enhance LBU profitability and, in turn, the State's net profits from the oil production.

The participants in the LBU have considered several proposals for the construction of a natural gas fueled electrical power plant to provide power for LBU operations. A technical team with representatives from the State, the City and OLBI was formed to evaluate the economic feasibility of these proposals. The proposal advanced by Oxy for it to finance the purchase and construction of the power plant and lease it to the LBU was determined by the technical team to be the most economic and the most practical. The plant, as proposed, would cost $36 million, would be sized to deliver 45 megawatts of electricity, and would be located on land near the LBU within the Port of Long Beach. In addition to supplying electricity to the LBU, the plant will operate as a cogeneration facility supplying waste heat to Georgia Pacific for the operation of its gypsum plant located near the proposed site for the power plant.

Power plant costs (planning, engineering, equipment purchase and construction) will be financed by Oxy during fiscal years 2000-01, 2001-02 and 2002-03. Oxy will be reimbursed in full for all its costs by the LBU over a 10-year amortization period through the LBU's purchases of electrical power. The plant is expected to begin operation in September 2002. At the end of the 10-year amortization period, the LBU will be able to acquire title to the power plant. THUMS will operate the power plant so long as it is supplying power to the LBU.

The technical team, representing the State, the City and OLBI, developed an economic model using agreed upon pricing assumptions for oil, gas and electricity to estimate the financial benefits that the project will provide to the

participants in the LBU. These financial benefits are set forth in the table below as "Project Benefits." The amounts reflect the incremental operational cost savings for the listed participants in the LBU by avoiding LBU electricity purchases from an outside utility and include impacts from taxes and overhead costs.

Project Benefits Present Value in $ Millions	
	Economic Model
State of California	24.6
Occidental Petroleum	10.1
City of Long Beach	6.2
Townlot	3.2
Total LBU	44.1

The power plant will use as fuel for electrical generation the dry gas produced from the LBU as fuel to produce electricity. A Power Plant Gas Usage Agreement (Exhibit A, attached hereto) contains the terms upon which the gas will be provided. THUMS will pay Unit Participants for their share of the gas that will be used as power plant fuel. This means that the State will be paid for its 100 percent (100%) share of Tract 1 dry gas that will be used as power plant fuel. The price that the State will receive from THUMS will be the same as the price that the State would receive from the City under the operative Long Beach Tidelands Dry Gas Price Agreement. The price under the newly proposed Long Beach Tidelands Dry Gas Price Agreement would be Southern California Gas Company's weighted average cost of interstate gas it purchases for sales to its core customers (SoCal WACOG).

Because the City will not be receiving the dry gas that it otherwise would be receiving from the State's 100 percent (100%) share of Tract 1 dry gas, the City has requested that it be made whole for any losses the Long Beach Energy Department may sustain as a result of having to secure replacement gas. It guarantees to the City a make whole payment of the difference between Long Beach energy's weighted average cost of gas and the price provided by the Long Beach Tidelands Dry Gas Pricing Agreement, plus the actual intrastate

wholesale transportation cost paid by Long Beach Energy to SoCal Gas. THUMS is obligated only to use LBU gas as fuel for the first two years of plant operation. After two years, it may purchase gas for plant fuel from other sources if it is economic to do so. The Power Plant Gas Usage Agreement also has provisions that make the City whole for lost electrical use tax and franchise fees.

The level of economic risk to the State and to the LBU is influenced by the price for dry gas produced from the LBU and the price for electricity that would be charged to the LBU by SCE. The greater the difference between the price charged by SCE for electric power and the price for natural gas to fuel the power plant, the greater the savings for the LBU and, in turn, for the State. A graph of the incremental cash flows from the projected savings from the power plant project for each major participant in the LBU is shown as Exhibit B, attached hereto.

The proposed power plant project will require a variety of permits, contracts and approvals. The Port of Long Beach will be the lead agency under the California Environmental Quality Act (CEQA). The Port anticipates that it will be required to prepare a Mitigated Negative Declaration for the project. The project also will require an air quality permit from the South Coast Air Quality Management District. The CEQA process and the issuance of the air quality permit are expected to be completed by the fall of 2001. The power plant project does not require approval from either the California Energy Commission or the California Public Utilities Commission.

At its last meeting, the Commission approved the fiscal year 2001-02 Budget for the LBU on the condition that any expenditure from the Budget for the construction of a power generation plant be subject to the prior approval of OLBI, the City and the Commission. Because Oxy rather than the LBU will be financing the project, the prior approvals of expenditures from the current 2001-2002 LBU Budget are not required. What is required is the approval of the Power Plant Gas Usage Agreement among OLBI, the City and the State. OLBI has approved the agreement, and the City Council, on July 17, 2001, authorized the City Manager to execute it. Staff is recommending that the Commission authorize the Executive Officer to execute this agreement on its behalf.

OTHER PERTINENT INFORMATION

1. The Commission's action would permit the Executive Officer to execute the

Power Plant Gas Usage Agreement. This agreement does not authorize or permit the construction or operation of the power plant. It provides for the sale and valuation of LBU produced gas to be used as fuel by the power plant if the power plant is constructed and made operational. No physical modifications to the environment will occur as the result of the Commission's action. Therefore, pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project " as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

A. Power Plant Gas Usage Agreement
B. LBU Power Plant Incremental Cash Flow

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE THE POWER PLANT GAS USAGE AGREEMENT FOR THE LONG BEACH UNIT POWER PLANT.

Exhibit A

POWER PLANT GAS USAGE AGREEMENT

Dated as of _____ __, 2001

Among

OXY LONG BEACH, INC.

and

THUMS LONG BEACH COMPANY

and

THE CITY OF LONG BEACH

and

THE STATE OF CALIFORNIA,

acting through the State Lands Commission

00532
01883

POWER PLANT GAS USAGE AGREEMENT

This **POWER PLANT GAS USAGE AGREEMENT** (this "Agreement"), dated as of _____ __, 2001, is made and entered by and among **OXY LONG BEACH, INC.**, a Delaware corporation ("OLBI"), **THUMS LONG BEACH COMPANY**, a Delaware corporation, as agent for the Field Contractor of the Long Beach Unit ("THUMSCO"), the **CITY OF LONG BEACH**, a municipal corporation, acting in its capacity as Unit Operator of the Long Beach Unit and the **CITY OF LONG BEACH**, a municipal corporation (the "City"), and the **STATE OF CALIFORNIA** acting by and through the State Lands Commission (the "State") (together the "Parties").

W I T N E S S E T H:

WHEREAS, effective as of April 1, 1965, the City entered into the Contractors' Agreement, Long Beach Unit, Wilmington Oil Field ("Contractors' Agreement") with a Field Contractor and several Nonoperating Contractors providing for the development and operation of the Long Beach Unit. OLBI is the holder of the Field Contractor's interest and all Nonoperating Contractor interests;

WHEREAS, THUMSCO is the agent for the Field Contractor under the Contractors' Agreement, and as such carries out the day-to-day responsibilities of the Field Contractor under the direction and control of the City as Unit Operator;

WHEREAS, the Parties desire to develop an independent source of energy for the Long Beach Unit;

WHEREAS, Occidental Energy Ventures Corp ("OEVC") has agreed to finance the acquisition, construction and installation of a 45 megawatt gas-fired power generation facility utilizing a General Electric LM6000 gas turbine (collectively, the "Facility") to be located in the Harbor District, Long Beach, California, in the vicinity of the Long Beach Unit and to lease the Facility to THUMSCO; and

WHEREAS, the Parties desire to use gas produced from the Long Beach Unit as Fuel in the Facility on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Capitalized terms used but not otherwise defined in this Agreement have the respective meanings set forth below:

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in the State of California or New York are authorized or required by law to close.

"Contractors' Agreement" has the meaning set forth in the Recitals of this Agreement.

"Dry Gas" means the gas directly produced from wells, which contain one-half (1/2) gallon or less of recoverable natural gas liquids per 1,000 cubic feet, or from which natural gas liquids have been removed by processing.

0533
01884

"Dry Gas Sales Equivalent" means the Wet Gas MMBtu multiplied by 94.6%. This accounts for the Btus that would have been recovered from the Wet Gas as natural gas liquids by processing at the Long Beach Unit gas plant, and may be modified from time to time through gas sampling by LBE and THUMSCO.

"Electricity Franchise Fee Make Whole Payment" has the meaning set forth in Section 4.1 of this Agreement.

"Electricity Users Tax Payment" has the meaning set forth in Section 4.2 of this Agreement.

"Excess Produced Gas" means the total quantity of Long Beach Unit Produced Gas not used as Fuel in the Facility and available for sale, measured on an MMBtu basis.

"Facility" has the meaning set forth in the Recitals of this Agreement.

"Force Majeure" means acts, events, occurrences and conditions beyond the reasonable control of the party claiming Force Majeure including, but not limited to, acts of God, riots, labor disputes, sudden actions of the elements, the effect of changes in applicable laws or regulations, actions by federal, state or municipal agencies, actions of legislative, judicial, or regulatory agencies or denial, lapse or revocation of any permit, license or regulatory approval necessary in connection with the operation of the Facility.

"Fuel" means gas used in connection with the construction, start-up and operation of the Facility.

"Gas Make Whole Payment" has the meaning set forth in Section 3.1 of this Agreement.

"Imbalance Service Fee" has the meaning set forth in Section 2.5 of this Agreement.

"LBE" means the City of Long Beach Energy Department.

"LBWACOG" means the Long Beach Weighted Average Cost of Gas which is an amount equal to Long Beach Energy's cost per therm of gas supply delivered into the SoCalGas' intrastate pipeline system without consideration of SoCalGas (or any other intrastate pipeline company providing similar services) pipeline transportation and other system costs associated with intrastate delivery to Long Beach. This LBWACOG shall be subject to adjustment as the result of tariff, pricing changes, or regulatory action that may be imposed by governmental entities having jurisdiction therein.

"Long Beach Tidelands" means those certain tide and submerged lands, whether filled or unfilled, heretofore conveyed to the City of Long Beach upon certain trusts and conditions by Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935.

"Long Beach Tidelands Dry Gas Price Agreement" means that certain agreement dated as of September 30, 1992 between the City and State, or any successor agreement, relating to the reasonable wholesale market value for Long Beach Tidelands Dry Gas.

"Long Beach Unit Produced Gas" means the quantity of all gas produced from the Long Beach Unit, measured on an MMBtu basis.

"Long Beach Unit Townlot Dry Gas Agreement" means the Dry Gas Agreement, Long Beach Unit, Townlot Working Interests, executed on October 24, 1994, between the City as Unit Operator and the City, or any successor agreement, relating to the sale of Long Beach Unit Townlot Dry Gas to LBE.

ACCESSION PAGE 0534
DATE FILMED 1885

"MMBtu" means one million (1,000,000) Btus and shall be the Unit of Measurement hereunder.

"Monthly Nominated Produced Fuel Gas Volume" means the total quantity of Produced Fuel Gas expected to be used as Fuel in the Facility for the following month, measured on an MMBtu basis.

"Produced Fuel Gas" means the quantity of Long Beach Unit Produced Gas used as Fuel in the Facility, measured on an MMBtu basis, and adjusted on a Dry Gas Sales Equivalent basis if Wet Gas.

"Produced Fuel Gas Value" means Produced Fuel Gas valued according to the terms of the Long Beach Tidelands Dry Gas Price Agreement.

"SoCal WACOG" means SoCalGas Core Procurement Charge in SoCalGas' filing with the California Public Utilities Commission.

"SoCalGas" means Southern California Gas Company.

"Tract 1" means the portion of the Long Beach Tidelands that is a part of the Participating Area of the Long Beach Unit, referred to as Tract No. 1 in the Unit Agreement.

"Unit Agreement" means that certain Unit Agreement entered into as of November 1, 1964 with respect to the Long Beach Unit.

"Unit Operating Agreement" means that certain Unit Operating Agreement entered into as of November 1, 1964 with respect to the Long Beach Unit.

"Wet Gas" means the gas produced directly from wells, which contains more than one-half (1/2) gallon of recoverable natural gas liquids per 1,000 cubic feet.

ARTICLE II
FUEL SUPPLY

SECTION 2.1 Use of Fuel from the Long Beach Unit. The Parties hereby agree that Long Beach Unit Produced Gas shall be utilized as Fuel for the Facility during the first two years of the Facility's operation. After the first two years, THUMSCO will notify LBE of its election to switch from utilizing or not utilizing all or a portion of the Long Beach Unit Produced Gas as Fuel for the Facility at least ninety (90) days prior to its desired switch. Such election will be in effect for a minimum term of six (6) months after the effective date of such election. At the time of such notice, THUMSCO will indicate the portion, if any, of the Long Beach Unit Produced Gas that will be utilized as Fuel.

SECTION 2.2 Monthly Nominations. Five (5) Business Days prior to the end of the month THUMSCO will notify LBE of the Monthly Nominated Produced Fuel Gas Volume for the following month. Such notification will be by electronic mail or other mutually agreeable method.

SECTION 2.3 Excess Produced Gas. Excess Produced Gas will be sold to LBE under the terms of the Long Beach Tidelands Dry Gas Price Agreement and the Long Beach Unit Townlot Dry Gas Agreement. Such Excess Produced Gas shall meet the quality specifications as agreed to by the City and THUMSCO in the Natural Gas Delivery Agreement for Locally Produced Gas effective as of January 1, 1998.

SECTION 2.4 Measurement. Produced Fuel Gas will be measured by meters at the inlet of the Facility. The BTU content will be established by monthly gas analysis. The measurement and

determination of gas delivered shall be made in accordance with the applicable reports of the American Gas Association, as amended from time to time. Any Party shall have the right to inspect and verify the calibration and accuracy of such measuring devices at all reasonable times.

SECTION 2.5 Imbalances. If the actual Produced Fuel Gas is greater or less than 10% of the Monthly Nominated Produced Fuel Gas Volume for any calendar month, as well as any calendar day for which SoCalGas has formally declared a daily balancing event, and LBE is required to adjust for this imbalance, resulting in a charge or credit to LBE by Southern California Gas Company pursuant to its Tariff Schedule No. G-IMB (Transportation Imbalance Service), then THUMSCO shall elect either to:

(a) Pay LBE the prorata penalty incurred by LBE pursuant to Southern California Gas Company Tariff Schedule No. G-IMB then in effect, which will not, in any event, exceed the actual costs incurred by LBE as a result of the imbalance or THUMSCO's actual monthly imbalance volume multiplied by the appropriate SoCalGas penalty; or

(b) Work with an agent designated by THUMSCO to minimize or cure potential penalties, attributable to THUMSCO, by conducting imbalance trades with LBE utilizing SoCalGas' GasSelect imbalance trading system. LBE shall take all reasonable actions to facilitate and approve such imbalance trades in a timely manner. From time-to-time, THUMSCO and its designated agent may also conduct daily sales or purchases of gas to prevent potential imbalances. LBE shall work with THUMSCO to facilitate such transactions.

SECTION 2.6 Payment Terms. THUMSCO shall pay the City the Imbalance Service Fee to the extent applicable for each month on the last day of the following month.

ARTICLE III
GAS MAKE WHOLE OBLIGATION

SECTION 3.1 Gas Make Whole Provisions. The Parties agree that THUMSCO will pay the City a Gas Make Whole Payment each month equal to the difference between:

(a) the actual Produced Fuel Gas for such month valued per the LBWACOG plus LBE's actual intrastate wholesale transportation paid by LBE to Southern California Gas Company, and

(b) the Produced Fuel Gas Value for such month.

SECTION 3.2 Payment Terms. THUMSCO shall pay the City the Gas Make Whole Payment to the extent applicable for each month on the last day of the following month. No Utility Users Gas Tax shall be applicable on the Produced Fuel Gas volume.

ARTICLE IV
ELECTRICITY FRANCHISE FEE MAKE WHOLE AND ELECTRICITY USERS TAX OBLIGATION

SECTION 4.1 Electricity Franchise Fee Make Whole Obligation. For as long as the Facility is operating and electricity is being provided from the Facility to the Long Beach Unit and as long as the City receives a Franchise Fee from Southern California Edison ("SCE") or other electrical service provider, the Parties agree that THUMSCO shall pay to the City a Franchise Fee Make Whole Payment to the extent applicable each quarter equal to the amount which the provider would have paid to the City under City Ordinance C-7687, as it may be amended from time to time, or any successor ordinance.

SECTION 4.2 Electricity Users Tax Obligation. The electricity users tax rate imposed pursuant to Section 3.68.030 of the Long Beach Municipal Code, as it may be amended from time to time, or any successor code or ordinance, upon the usage of electricity by the Long Beach Unit which it receives from the Facility ("Electricity Users Tax Payment"), shall be based upon the charges under the prevailing tariff (i.e. Southern California Edison Company, Schedule I-6, Time of Use, General Service – Large – Interruptible Bill Limited, or any successor tariff) that the Long Beach Unit would have paid if it had purchased electricity from Southern California Edison or other electrical provider.

SECTION 4.3 Payment Terms. THUMSCO shall pay the City the Electricity Franchise Fee Make Whole Payment to the extent applicable for the previous quarter by the end of the month following the end of the quarter, and shall pay the City the Electricity Users Tax Payment to the extent applicable for the previous month by the end of the following month.

ARTICLE V
LONG BEACH UNIT ACCOUNT TREATMENT

SECTION 5.1 Produced Fuel Gas Value. THUMSCO will pay to the State its Tract 1 share and the Long Beach Unit Participants their Participant share of the Produced Fuel Gas Value as if the Produced Fuel Gas had been sold to the Facility.

SECTION 5.2 Unit Expense. THUMSCO will charge the Unit Account as a Unit Expense per the Unit Operating Agreement the Produced Fuel Gas Value, the Imbalance Service Fee, the Gas Keep Whole Payment, the Electricity Franchise Fee Make Whole Payment, and the Electricity Users Tax Payment.

ARTICLE VI
TERM

This Agreement shall be effective from the date of execution by all of the Parties hereto and shall be coterminous with the Unit Agreement, unless terminated earlier per Section 8.3.

ARTICLE VII
FORCE MAJEURE

A delay in or failure of performance hereunder by either party shall be excused to the extent caused by Force Majeure. The foregoing provisions allowing a party to claim excuse due to Force Majeure shall not relieve such party from using its reasonable efforts to overcome or remove such Force Majeure. A party claiming such failure or delay shall give prompt notice thereof to the other party, together with a description of such efforts to overcome the Force Majeure.

ARTICLE VIII
MISCELLANEOUS

SECTION 8.1 Determination of Actual Costs. For purposes of Articles II, III, and IV, the City shall provide THUMSCO, OLBI, and the State with such supporting documentation as shall be reasonably necessary to verify the basis for such calculations each month. If any of the information is deemed confidential by any of the Parties, then the other Parties will treat such information accordingly, except as otherwise provided by law. The Parties agree that, no less than once a year, they will review the supporting documentation to determine whether an adjustment is necessary to ensure that the City was made whole and that THUMSCO, OLBI and the State did not overpay or underpay the City. In the event

that it is determined that an adjustment is necessary, then the adjustment will be made in the following month's make whole payment.

SECTION 8.2 Severability. If any term or provision of this Agreement or any application thereof shall be declared invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision shall not be affected thereby.

SECTION 8.3 Amendments and Modifications. Neither this Agreement nor any provision hereof may be amended, waived, discharged or terminated except by an instrument in writing signed by the Parties.

SECTION 8.4 No Waiver. No failure by any party hereto to insist upon the strict performance of any term hereof or to exercise any right, power or remedy upon a default hereunder shall constitute a waiver of any such default or of any such term. To the fullest extent permitted by law, no waiver of any default shall affect or alter this Agreement, and this Agreement shall continue in full force and effect with respect to any other then existing or subsequent default.

SECTION 8.5 Notices. All notices, demands, requests, consents, approvals and other communications hereunder shall be in writing and directed to the address described in, and deemed received when delivered to the Parties at the following addresses and phone numbers:

[INSERT NOTICE PROVISIONS]

SECTION 8.6 Successors and Assigns. All the terms and provisions of this Agreement shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

SECTION 8.7 Headings and Table of Contents. The headings and table of contents in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 8.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

SECTION 8.9 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES.

IN WITNESS WHEREOF, the Parties have caused this Agreement be duly executed and delivered as of the date first above written.

OXY LONG BEACH, INC.,

By: _____
Name:
Title:

THUMS LONG BEACH COMPANY, as agent for the Field Contractor of the Long Beach Unit.

By: _____
Name:
Title:

CITY OF LONG BEACH, a municipal corporation, acting in its capacity as Unit Operator of the Long Beach Unit

By: _____
Name:
Title:

CITY OF LONG BEACH, a municipal corporation

By: _____
Name:
Title:

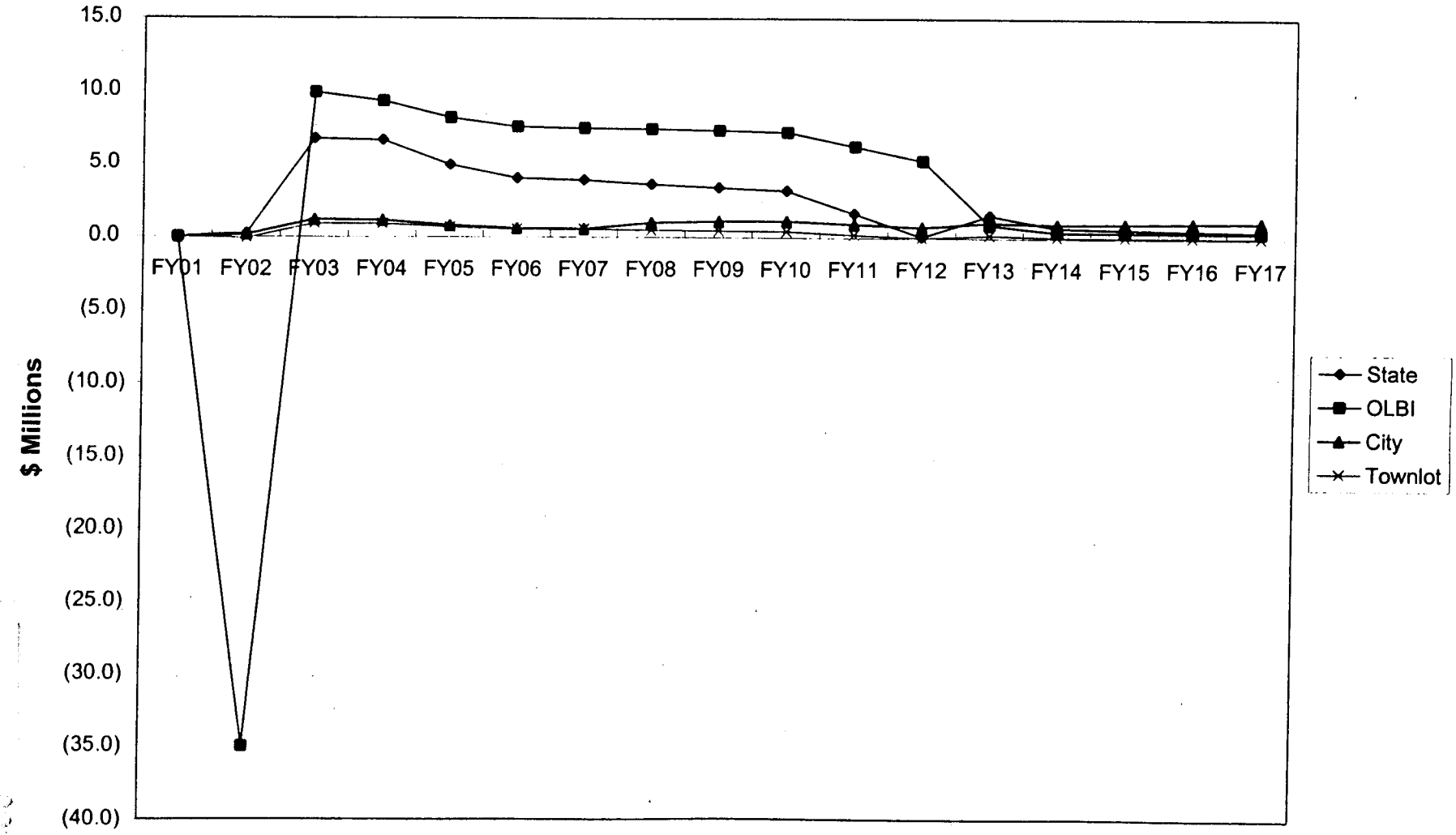
STATE OF CALIFORNIA, acting through the State Lands Commission

By: _____
Name:
Title:

0529
1890

Exhibit B

LBU Power Plant Incremental Cash Flow



1891