

Plan of Finance Issue Tracking

Area	Question	RC/AB/Workshop	Deliverable(s)
Long-term Considerations			
<i>What do we get?</i>			
Benefits	What is the amount of the two primary benefits of the project, new water supply and storage capacity each participant receives?	July Workshop	Proforma 2.0, Amendment 3 Prospectus Workbook
Obligations	How are project risks and obligations shared amongst the participants and the other agreements?	September Workshop	GPPT, Other Agreements <i>and</i> Roles and Responsibilities Section
Asset Definition	What are the options and constraints for selling/leasing storage capacity, and selling/leasing water supply?	July Workshop	GPPT, Project Assets and Ownership <i>and</i> Leasing of Storage and Sales of Water Sections
Roles and Responsibilities	How might the governance of the project change as the project progresses and what are the milestones that trigger these changes?	June Workshop	GPPT, Roles and Responsibilities Section
<i>How much does it cost?</i>			
Capital Cost	What is each participant's share of the project's updated capital cost estimate?	June RC/AB	Feasibility Capital Cost Estimate
O&M Cost	What is each participant's share of the updated cost estimates for variable and fixed O&M costs?	June RC/AB	Feasibility O&M Cost Estimate, Facilities Use Agreement Term Sheets
<i>How do we pay for it?</i>			
Cost of Capital	What is the range of cost of capital based on the financing options being considered and what is the resulting range of annual debt service obligations for each participant?	July Workshop	Proforma 2.0, Amendment 3 Prospectus Workbook
Securing Revenue	When will costs occur (cash flow) and will each participant be ready with secure revenue to cover its share of project debt service and OM&R costs?	July Workshop	Proforma 2.0, Amendment 3 Participation Agreement, Plan of Finance
Risk of Default	How much exposure does each participant assume in the event of participant default(s) and what are the steps available to prevent or mitigate this risk?	September Workshop	Plan of Finance, GPPT Project Assets and Ownership <i>and</i> Leasing of Storage and Sales of Water Sections
Near-term Considerations			
Work Plan	Is the right scope, schedule, and budget being considered for the next phase and what is each participant's share of the cost and timing of the cash calls?	June Workshop	Amendment 3 Participation Agreement and Work Plan
Rebalancing	What is the impact of participants adjusting their level of investment and what impact does the basis of participation converting from yield to storage have, if any?	June Workshop	Amendment 3 Participation Agreement and Work Plan
State and Federal Participation	Is the project on-track to remain eligible for Prop 1 funding and what is the timing for the federal participation/appropriation to be finalized?	September Workshop, September RC/AB	75% Local Cost Share Commitment Authority Board Resolution

GPPT= Sites Project Benefits and Obligations Contract Guiding Principles and Preliminary Terms