

**Ladera Hope  
News for February 25, 2008**

**Fact Finding Agreement Signed**

We are pleased to announce that Ladera Hope entered into an agreement on February 19 with Wellhead and SDG&E whereby Wellhead has provided funding to Ladera Hope so that Ladera Hope may hire experts to conduct an independent, third-party review of the proposed peaker power plant. Our consultants will be evaluating and assessing the community impacts of the facility, including the impacts related to air quality, noise and hazardous materials. Our experts will also be identifying available technologies to mitigate these impacts. Here are some additional key terms of the agreement:

- Ladera Hope has access to documents and information about the project on an expedited basis.
- SDG&E has agreed to allow representatives from Ladera Hope to visit the site of a comparable peaker power plant so that we can observe the facility operation, including start-up and shutdown.
- The construction of the peaker power plant and the litigation will be put on hold while this third-part environmental review is being conducted.
- The environmental review must be completed by April 4, 2008.
- At the completion of the environmental review, the parties will come together to meet and confer on the findings and the issues to determine whether a resolution to this dispute can be reached.
- SDG&E and Wellhead have agreed to certain minimum terms which would be part of a potential agreement to end the lawsuit, including a commitment to not expand this facility in the future and an agreement to reduce the amount of aqueous ammonia stored on-site from 18,000 to 4,500 gallons.
- During the term of this agreement (through April 21), Ladera Hope has agreed not to hold any public rallies, etc. (such as the "Circle of Hope" or the "Hope March") and both parties agreed to only mutually agreed upon and limited interaction with the press.

This agreement is critical to our efforts because without this agreement it is our understanding that Wellhead would be able to start construction as soon as the SCAQMD issues its permit, which is likely to occur next month. With this agreement in place, Ladera Hope will have additional time and resources to get important questions about the project answered. The information we gather through this process will help us strategize our approach, including weighing the potential costs and benefits of continuing with our lawsuit against the potential costs and benefits of accepting a significantly restricted and mitigated power plant. We will be hosting a Town Meeting following the SCAQMD's Town Meeting to share information and answer your questions.