



**Pacific Gas and
Electric Company®**

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January 5, 2011

Shiloh III Wind Project, LLC
Attention: General Counsel
15445 Innovation Drive
San Diego, California 92128

Re: Power Purchase Agreement between Pacific Gas and Electric Company and Shiloh III
Wind Project, LLC, dated July 27, 2010 ("Agreement")

Dear Sir/Madam:

Pacific Gas and Electric Company ("Buyer") is in receipt of Ms. McMurray's letter dated December 13, 2010 in reference to the Agreement ("Incremental Capacity Notice"). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Agreement. The Incremental Capacity Notice states that Shiloh III Wind Project, LLC has received all necessary rights and approvals required to build the Incremental Capacity. In accordance with Section 3.1(f)(iii) of the Agreement, Buyer hereby provides Notice that it elects to exercise its option to increase the Contract Capacity under the Agreement to 100 MW.

Sincerely,

Fong Wan

cc: Anne McMurray, Shiloh III Contracts Manager
anne.mcmurray@enxco.com