

01W039

AMENDMENT NO. 1
TO
STANDARD OFFER #4 POWER PURCHASE AGREEMENT
FOR
LONG-TERM ENERGY AND CAPACITY
BETWEEN
U.S. WINDPOWER, INC.
AND
PACIFIC GAS AND ELECTRIC COMPANY

This Amendment dated as of May 18, 1984, amending that certain Standard Offer #4 Power Purchase Agreement for Long-term Energy and Capacity, dated as of March 5, 1984, between the parties hereto ("Standard Offer #4") relating to a 70,000 kW Facility and identifying the initial scheduled operation date of the Facility as January 1, 1987, is entered into by and between U.S. WINDPOWER, INC. ("Seller"), and PACIFIC GAS AND ELECTRIC COMPANY ("PGandE").

RECITALS

WHEREAS:

1. Seller and PGandE entered into the above-identified Standard Offer #4 dated as of March 5, 1984;

2. Seller and PGandE desire to amend the said Standard Offer #4 in the manner set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Section A-19 shall be added to Appendix A of the above-identified Standard Offer #4 and shall read in its entirety as follows:

"A-19 AVOIDED COST METHODOLOGY

If the CPUC at any time ceases to prescribe the method by which the price is calculated for power purchased by PGandE from Seller after the fixed price period, the Parties shall renegotiate, in good faith, the price to be paid thereafter by PGandE to Seller under this Agreement, based on prices PGandE is then paying others for power; pending agreement the price shall be 80% of average cost."

2. The definition of "average cost" shall be added to Section A-1 of Appendix A and shall read in its entirety as follows:

"Average cost - PGandE's average cost of electric power, including energy and capital charges (determined by dividing the total cost of energy produced by the total amount of such production, in terms of kilowatt-hours), at the generation level. Transmission and distribution costs are not to be included."

3. Except as defined otherwise herein, all terms used in this Amendment shall have the same meanings used in the above-identified Standard Offer #4.

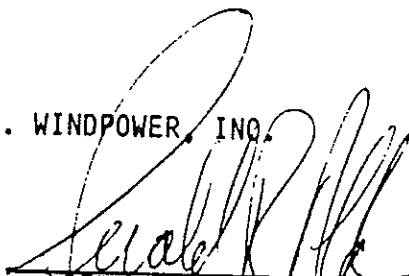
4. Except as expressly amended herein, the above-identified Standard Offer #4 remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Amendment No. 1 to the above-identified Standard Offer #4 as of the day and year first written above.


U.S. WINDPOWER, INC.

PACIFIC GAS AND ELECTRIC COMPANY

By:


GERALD R. ALDERSON
President

By:


NOLAN H. DAINES
Vice President -
Planning and Research

Date Signed: May 25, 1989

Date Signed: May 21, 1989