

**FIVE-YEAR FIXED ENERGY PRICE AMENDMENT TO THE
RIO BRAVO FRESNO CONTRACT
BETWEEN
THE RIO BRAVO FRESNO QF
AND
PACIFIC GAS AND ELECTRIC COMPANY**

THIS AMENDMENT ("Amendment") is by and between RIO BRAVO FRESNO, a California general partnership, (the "RIO BRAVO FRESNO QF") and PACIFIC GAS AND ELECTRIC COMPANY ("PG&E"). The RIO BRAVO FRESNO QF and PG&E are sometimes referred to herein collectively as the "Parties."

RECITALS

- A. The RIO BRAVO FRESNO QF and PG&E are parties to that certain contract listed in Attachment A hereto (the "RIO BRAVO FRESNO Contract").
- B. On April 6, 2001, PG&E filed a voluntary petition under chapter 11 of the United States Bankruptcy Code in the San Francisco Division of the United States Bankruptcy Court for the Northern District of California (the "Bankruptcy Court") (*In re Pacific Gas and Electric Company*, Bankr. Case No. 01-03923).
- C. On June 14, 2001, the Commission issued D.01-06-015, which approved as reasonable certain non-standard PPA price modifications
- D. The RIO BRAVO FRESNO QF and PG&E now desire to enter into the PPA price modification set forth below.

AMENDMENT

In consideration of the mutual promises and covenants contained herein, PG&E and the RIO BRAVO FRESNO QF agree as follows:

1. PPA AMENDMENT

Pursuant to that certain July 11, 2001 Agreement between PG&E and the RIO BRAVO FRESNO QF (the "July 11 Agreement"), a copy of which is attached hereto as Attachment I, the RIO BRAVO FRESNO Contract is hereby amended as set forth in Section I of the July 11 Agreement, entitled "Acceptance of the CPUC Five-Year Fixed Energy Price Option," and Attachment C of the July 11 Agreement, entitled "FIXED ENERGY PRICES FOR QUALIFYING FACILITIES UNDER D.01-06-015." No provision of the RIO BRAVO FRESNO Contract other than the energy pricing term is or shall be deemed to be modified, amended, waived or otherwise affected by this Amendment.

If there is not an order by the Bankruptcy Court authorizing the July 11 Agreement by July 31, 2001, the RIO BRAVO FRESNO QF has the sole right either to unilaterally terminate the July 11 Agreement or to unilaterally terminate all provisions of the July 11 Agreement other than paragraph I thereof. Upon termination of the July 11 Agreement, none of the waivers, covenants, warranties, representations, and other provisions of the July 11 Agreement including the terms of this Amendment shall survive, except that the provisions of this Amendment shall survive if the paragraph I provisions of the July 11 Agreement are not terminated.

2. SIGNATURES

IN WITNESS WHEREOF, this Amendment has been duly executed by or on behalf of the RIO BRAVO FRESNO QF and PG&E.

RIO BRAVO FRESNO
a California general partnership

By: Robert V Escalante
Title: General Manager
Date: July 12, 2001

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

By: [Signature]
Title: _____
Date: 7/14/01

**ATTACHMENT A
THE RIO BRAVO FRESNO QF FACILITY**

Rio Bravo Fresno: (1) Power Purchase Agreement for Long-Term Energy and Capacity Between Rio Bravo Fresno, as successor in interest to Ultrapower Incorporated, and Pacific Gas and Electric Company, executed by Ultrapower, Incorporated on October 30, 1984, and by Pacific Gas and Electric Company on December 12, 1984, as amended. (PG&E Log. #25P026) [Fresno].

RIO BRAVO FRESNO

CONSENT OF THE GENERAL PARTNERS

The undersigned, constituting all of the General Partners of Rio Bravo Fresno, a California General Partnership (the "Partnership"), do hereby waive the calling and holding of a meeting of the Partnership; unanimously consent to the following actions; and direct that this Consent of General Partners be filed with the minutes of proceedings of the Partnership.

RESOLVED, That the General Partners, pursuant to the Joint Venture Agreement, hereby authorize the Partnership to enter into an Amendment between Rio Bravo Fresno and Pacific Gas and Electric Company.

RESOLVED FURTHER, That the General Partners hereby authorize Robert V. Escalante to execute, on behalf of the Partnership, the Amendment.



RESOLVED FURTHER, That each member of the General Partners may execute this document, via facsimile, in the counterparts, each of which shall be considered an original, and all of which, when taken together, shall constitute one and the same document.

Date: _____

GENERAL PARTNERS

ULTRAPOWER FRESNO L.P., a
California limited partnership

By: Ultrapower 7 Incorporated,
General Partner

By: 
Title: 

(Signature page continued)

MALAGA POWER INVESTORS L.P., a
California limited partnership

By: Ultrapower Malaga, Inc.
General Partner

By: 

Title: partner

CII WOODPOWER II, Inc.,
a Maryland corporation

By: _____

Title: _____

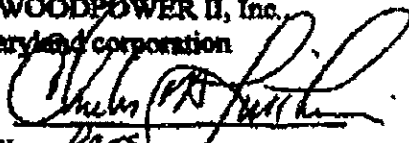
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**MALAGA POWER INVESTORS L.P., a
California limited partnership**

**By: Ultrapower Malaga, Inc.
General Partner**

By: _____
Title: _____

**CTI WOODPOWER II, Inc.
a Maryland corporation**

By: 
Title: Pres.