

**SECOND AMENDMENT
TO MASTER POWER PURCHASE AND SALE AGREEMENT
CONFIRMATION**

This Second Amendment to Master Power Purchase and Sale Agreement and Confirmation ("Amendment") further amends, subject to Section 12 below, the Master Power Purchase and Sale Agreement made as of April 1, 2005 ("Master Agreement") and the related confirmation letter dated the same date ("Confirmation") between Buena Vista Energy, LLC. ("Seller") and Pacific Gas and Electric Company ("Buyer"), as amended by the First Amendment to the Master Power Purchase and Sale Agreement dated April 25, 2005. Seller and Buyer are sometimes referred to herein individually as "Party" and collectively as "Parties." Initially-capitalized terms used, but not otherwise defined, herein have the meanings given in the Master Agreement, as amended, and Confirmation (collectively, "Agreement").

RECITALS

- A. Seller and Buyer are parties to the Agreement, pursuant to which Seller is to repower an existing wind generating facility located in Byron, California and to sell to Buyer the energy output and other products from the facility, and Buyer is to purchase such energy output and related products.
- B. The Parties wish to amend the Agreement, subject to Section 12 below, to (a) shorten the term and provide to Buyer a right of first negotiation respecting the output of the facility upon expiration of the shortened term.; (b) increase the contract price; (c) increase the amount of Project Development Security and Performance Assurance to be posted by Seller; and (d) provide Seller with the right to terminate the Agreement if this Amendment does not receive CPUC Approval.

THEREFORE, in consideration of the mutual covenants in this Amendment and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

- 1. The Project Development Security Amount set forth in the Cover Sheet of the Master Agreement in respect of Section 8.4(a)(i) shall be increased from \$860,000 to \$1,290,000, and the \$430,000 difference shall be posted by Seller, either in cash or by Letter of Credit, by the end of the day that is three Business Days after Buyer receives, by fax or electronic communication, written confirmation that the executed version of this Amendment has been submitted to the CPUC for their approval. If the additional Project Development Security is not posted timely, this Amendment shall be void *ab initio* and Buyer may rescind their request for CPUC Approval.

2. The Project Development Security Amount set forth in the Cover Sheet of the Master Agreement in respect of Section 8.4(a)(ii) shall be increased from \$1,419,000 to \$1,849,000.
3. The Performance Assurance Amount set forth in the Cover Sheet of the Master Agreement in respect of Section 8.4(a)(iii) shall, subject to Section 3.8(c) of the Master Agreement, be increased from \$3,086,100 to \$4,649,000.
4. The Delivery Term set forth in Section 2 of the Confirmation shall be reduced from fifteen (15) years to ten (10) years.
5. The following new sentences shall be added to the end of Section 2 of the Confirmation: "Before Seller enters into negotiations with any third party for the sale of energy, capacity or any other products from the Unit(s) covered by this Transaction with respect to the period following the expiration of the Delivery Term, Seller shall first offer to negotiate with Buyer in good faith for a period of no less than sixty (60) days with respect to any such sale. Such sixty (60) day minimum period shall commence upon written notice to Buyer by Seller of its intention to begin negotiations with third parties upon expiration of Buyer's right of first negotiation, which notice shall be given no later than the end of the first full month of the tenth year of the Delivery Term. Such sixty (60) day minimum period shall terminate upon written notice by either Party to the other of such termination; provided that, if the notice is from Seller it may not be effective until after sixty (60) days from the date of the notice informing Buyer of Seller's intention to negotiate with third parties."
6. The Contract Price set forth in Section 8.1 of the Confirmation shall be increased from \$57.15/MWh to \$57.40/MWh in each year from 2006 through the end of the new 10 year contract term.
7. The definition of "Environmental Attributes" in the Master Agreement shall be deleted and replaced in its entirety as follows: ""Environmental Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, directly attributable to the generation from the Unit(s) and its displacement of conventional energy generation. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4) and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (3) the reporting rights to these avoided emissions such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under

Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on kWh basis and one Green Tag represents the Environmental Attributes associated with one (1) MWh of energy. Environmental Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Unit(s), (ii) production tax credits associated with the construction or operation of the energy projects and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Unit(s) for compliance with local, state, or federal operating and/or air quality permits. If Seller's Unit(s) is a biomass or landfill gas facility and Seller receives any tradable Environmental Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Environmental Attributes to ensure that there are zero net emissions associated with the production of electricity from such facility."

8. Except as expressly amended by this Amendment, the terms and conditions of the Agreement shall remain in full force and effect. In the event of a conflict between the terms of the Agreement and those of this Amendment, this Amendment shall control.
9. Subject to Section 12, this Amendment shall become effective on the first day of the calendar month after it receives CPUC Approval without modification or condition unacceptable to either Party ("Approval"). PG&E shall file this Amendment for approval by the CPUC within 21 days following execution by both Parties and shall diligently pursue such approval. Seller will cooperate reasonably with PG&E in such efforts. If the CPUC issues a decision or resolution approving this Amendment with a modification or condition and neither Party informs the other in writing within 14 days after such approval that the modification or condition is unacceptable, then any right to object to such modification or condition shall be waived and this Amendment shall become effective on the first day of the calendar month after the date of issuance of the decision or resolution.
10. In the event the Approval does not occur by December 1, 2006, any refund of the Project Development Security posted by Seller under this Amendment shall be conditioned upon Buena Vista performing in all material respects with the terms of the Master Agreement. In addition, in any such event, Seller shall have the right, upon written notice to Buyer, to terminate the PPA and in such event, Buyer may retain, as liquidated damages and as its sole and exclusive remedy against Seller, the Project Development Security in an amount of \$1,290,000.

11. The signatories hereto represent that they are authorized to execute this Amendment on behalf to the Party for whom they sign. This Amendment may be executed in counterparts, each of which will be deemed to be an original and all of which taken together shall constitute a single instrument.
12. Notwithstanding anything in this Amendment to the contrary, this Section 12 and Section 10 shall apply with full force and effect from the date of execution of this Amendment and shall not be affected by the failure to achieve the CPUC Approval.

Buena Vista Energy, LLC

By:

G. N. Harbets

Name:

George Harbets

Title:

Authorized Representative

Date:

4/13/06

Pacific Gas and Electric Company

By:

[Signature]

Name:

Roy M. Kuga

Title:

VP - Energy Supply

Date:

4/25/06

[Signature]