EXHIBIT A

ILLUSTRATIVE EXAMPLE OF AMENDED SECTION 6.C. ENERGY PRICE TO CONTRACT CAPACITY PRICE CONVERSION & CPI ADJUSTMENT

This illustration is provided by way of an example only and is intended to be consistent with the revisions the Parties agreed to in Section 6.c. of the First Confirmation as proposed in paragraph 4.4 of this Amendment. If there is any inconsistency between the provisions of amended Section 6.c. and this Exhibit A, the terms of amended Section 6.c. shall prevail.

A. Assumptions for the Illustrative Example

1. Maximum subsidy or "CEC Cap" CEC will pay	$15/MWh[1]
2. Maximum total aggregate energy payment CEC will allow for payment of full subsidy or "CEC Target"	$60.00/MWh This $60/MWh CEC Target means that a renewable producer receiving a direct energy payment from purchaser of greater than $45/MWh will not be eligible to receive the full $15/MWh CEC subsidy or CEC Cap.
3. Prior year Energy Price	$44.50/MWh
4. Prior year Contract Capacity Price	$16.00/kW-month
5. Prior calendar year % Consumer Price Index ("CPI") increase	3.00%
6. Maximum current year % CPI increase to each Contract Capacity Price and Energy Price	2.25% (0.75 x 3.00%)

[1] At the present time, the $15/MWh assumed in A.1. for purposes of this illustration represents the maximum amount of subsidy the CEC will provide a renewable biomass producer, such as Seller. In the future, the CEC may decrease or may increase the maximum amount of subsidy it may provide a renewable biomass producer. In the event that the maximum CEC subsidy then applicable is at a $/MWh amount different than the $15/MWh currently in effect and reflected in A.1., the assumptions used in this illustrative example should be changed to reflect the then current maximum $/MWh CEC subsidy.

B. Calculation of Seller's Eligibility to Convert a Portion of Energy Price to Contract Capacity Price & CPI Adjustment

Change in Energy Price and Eligibility for Full CEC Subsidy if Total Authorized % CPI Increase (2.25%) Applied to Energy Price

1. Prior year Energy Price increased by 2.25% CPI increase authorized for Energy Price	$45.50/MWh
2. Current year total aggregate Energy Payment ($/MWh) without an amended Section 6.c. adjustment	$60.50/MWh Sum of $45.50/MWh adjusted Energy Price and $15/MWh CEC maximum subsidy
3. Implications on CEC Subsidy if the authorized 2.25% increase based on CPI is allocated to Energy Price	For purposes of enabling Seller to continue to receive a CEC subsidy equal to the full $15/MWh subsidy assumed available in this example, amended Section 6.c. provides the Seller the opportunity to convert a portion of the authorized CPI increase in the Energy Price to an increase in the Contract Capacity Price. In this illustration, if the sum of Seller's Energy Price adjusted for the authorized % CPI increase plus the CEC Cap exceeds the CEC Target of $60/MWh, a portion of the amount of the authorized % CPI increase that results in the higher than $60/MWh shall be converted to a Contract Capacity Price increase.
4. Seller eligibility for conversion of a portion of % CPI Adjustment to Energy Price to Contract Capacity Price per amended Section 6.c.	Yes – Seller eligible. Seller has the right in accordance with amended Section 6.c. (conversion illustrated in Section C. below) to convert $0.50/MWh of the authorized CPI Energy Price increase into an increase to the Contract Capacity Price. $0.50/MWh of the CPI-authorized increase will be applied to the Energy Price resulting in a current year $45.00/MWh Energy Price.

C. Example of Increases in Contract Capacity Price Resulting from Application of the Amended Section 6.c. Energy Price to Contract Capacity Price CPI Adjustment

1. Factor for conversion of $/MWh to $/kW-month per amended Section 6.c.	0.635
2. Conversion of $0.50/MWh to $/kW-month per amended Section 6.c.	0.635 x $0.50/MWh = $0.32 kW-month Contract Capacity Price increase
3. Increase in Contract Capacity Price in this example for the current year in Steps A and B	Contract Capacity Price increased to $16.36/kW month -- represents the 2.25% CPI increase over prior year $16.00/kW-month Contract Capacity Price; and Contract Capacity Price, as a result of conversion of $0.50/MWh, increased by $0.32/kW-month -- which yields a total Contract Capacity Price for the current year of $16.68/kW-month

EXHIBIT B

Price Cap Post 2010

For purposes of paragraph 4.6 of this Amendment, commencing on January 1, 2011 and through the Term of the Master Agreement, the sum of the Energy Price and Capacity Price paid to SIERRA shall be capped at the all-in prices paid to PG&E's existing QFs under standard offer agreements as set forth below.

The price cap shall be the sum of: (a) then current PG&E SRAC prices, or fixed energy price in lieu of PG&E's SRAC, as determined by the CPUC for renewable or non gas-fired QFs operating under standard offer agreements, and as may be modified by the CPUC for an electricity market-based SRAC mechanism; and (b) an agreed upon capacity price of $180/kw-yr, converted to $/MWh. The capacity price conversion to $/MWh is $180/kw-yr x 1000 x 1/8760(.85). The capacity price component of the price cap shall be $24.174/MWh, unless the capacity price to be paid to existing QFs under standard offer agreements is revised by the CPUC to be lower than $180/kw-yr. In such event, the capacity price component of the price cap shall be the capacity price established by the CPUC for existing renewable or non-gas fired QFs converted to $/MWh as per the formula herein. If the sum of the Energy Price and Capacity Price exceeds the price cap, an adjustment shall be made to the Energy Price so that the sum does not exceed the price cap.

EXHIBIT C

ILLUSTRATIVE EXAMPLES OF CURTAILMENTS PG&E MAY EXERCISE PURSUANT TO SECTION 4.7 OF THE AMENDMENT

The following is provided by way of an example only and with respect to only certain of the Curtailment Reasons. This Exhibit is intended to be consistent with the revisions the Parties agreed to in Section 10 of the First Confirmation, as set forth in paragraph 4.7 of this Amendment. This Exhibit is not intended to be, and shall not be interpreted or construed as, an exhaustive list of the circumstances or conditions under which PG&E may exercise a curtailment under amended Section 10. If there is any inconsistency between the provisions of amended Section 10 and this Exhibit, the terms of amended Section 10 shall prevail.

Potential ISO Over Generation

There are situations when the ISO will send out market notices to Scheduling Coordinators advising of potential over generation conditions for upcoming hours. The notice typically includes the amount of anticipated over generation as well as the requirements for decrement energy bids to mitigate the over generation condition. If the ISO sends out such a notice, PG&E and other Scheduling Coordinators will evaluate their portfolios and schedule a reduction of schedules through the ISO Hour-Ahead Market to reduce available resources to mitigate the anticipated over generation condition. Under these conditions, PG&E would curtail Seller's generation under the "Partial Curtailment" provisions in Section 4.7 of this Amendment. In the event the above-described reduction of resources by the Scheduling Coordinators is insufficient, then the ISO will call upon Realtime Operational procedures, as outlined in ISO Operating Procedure G 202. When the ISO calls upon Seller pursuant to ISO Operating Procedure G 202 to curtail its generation, such curtailment shall not count against the 300 hours of PG&E's Curtailment as set forth in Section 4.7 of this Amendment.

Surplus Energy

There are situations where PG&E's portfolio has surplus generation after PG&E has taken measures to attempt to sell the surplus energy. In such situations, surplus generation will continue to exist and such a surplus condition would contribute to an operating emergency or an impairment of system reliability. Under these conditions, it is prudent for PG&E to minimize resource schedules to help mitigate the surplus condition and also to minimize PG&E's surplus portfolio exposure to ISO Negative Imbalance prices, which may be present in the surplus energy period. Under these conditions, PG&E would curtail Seller's generation under the "Partial Curtailment" provisions in Section 4.7 of this Amendment.

Hydro Spill Safety Condition

There are situations that make it unsafe to back down certain hydro units because doing so may create unsafe spill conditions. An example is during the spring runoff period when lakes are filling but have not quite topped off (filled and started to spill). Backing down certain hydro units during this period may create a situation that will start a spill condition and then, in turn, cause a rapid rise in river flow. Under these conditions, PG&E would curtail Seller's generation under the "Partial Curtailment" provisions in Section 4.7 of this Amendment.

EXHIBIT D

Letter of Credit

ISSUING BANK LETTERHEAD ADDRESS

Date: _____

Irrevocable Standby Letter of Credit Number:_____

Beneficiary: Pacific Gas and Electric Company
77 Beale Street, Mail Code B28L
San Francisco, CA 94105
Attn: Credit Risk Management Unit

Applicant: _____
[insert Applicant's address]_____
_____

Account Party: _____
[insert Account Party's address]___
_____

[Advising Bank, if applicable]
[Confirming Bank, if applicable]

Amount: USD [Amount]
US Dollars [Spell out amount in words]

We hereby issue our Irrevocable Standby Letter of Credit ("Letter of Credit") at this office in your favor at the request of the Applicant and for the account of the Account Party. Payments under this Letter of Credit are payable at sight against the following documents:

1. Your sight draft drawn on us marked "drawn under [Issuing Bank] [Letter of Credit Number] dated [Date]";

AND

2. Beneficiary's signed statement certifying:

"Pursuant to the terms of that certain Power Purchase and Sale Agreement dated _____ ("Agreement") by and between Account Party and Beneficiary, Beneficiary is entitled to draw on this Letter of Credit for amounts owed by Account Party under the Agreement."

OR

"This Letter of Credit will expire in thirty (30) calendar days or less and Account Party has not provided alternate security acceptable to Pacific Gas and Electric Company."

This Letter of Credit expires at our counters located at [INSERT ADDRESS] on [INSERT DATE], ("Expiration Date") but the Expiration Date shall be automatically extended without amendment for a period of one year and on each successive Expiration Date, unless at least sixty (60) days before the then current Expiration Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

Special Conditions:

1. Partial drawing(s) are permitted.

2. All banking charges associated with this Letter of Credit are for the account of the Applicant.

3. This Letter of Credit is not transferable.

4. This Letter of Credit shall terminate upon the earlier of:

    a. the making by you of the final drawing available to be made hereunder;

    b. the surrender of this original Letter of Credit accompanied by your letter acknowledging termination of this Letter of Credit; and

    c. the Expiration Date.

We hereby engage with you that draft(s) drawn under and in compliance with the terms of this Letter of Credit will be duly honored if drawn and presented for payment at any time before the close of business [INSERT TIME] at our counters located at [INSERT ADDRESS] on or before the Expiration Date or in the event of Force Majeure, as defined under Article 17 of the Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce Publication No. 500 ("UCP"), that interrupts our business, within fifteen (15) days after resumption of our business, whichever is later.
Except as otherwise stated herein, this credit is subject to the UCP and, with respect to matters not so covered, this Letter of Credit is subject to and governed by the laws of the State of New York.

If you have any questions regarding this Letter of Credit, please call [Telephone No.].

By: _____
Authorized Signature
Name: _____
Title: _____