

POWER PURCHASE AGREEMENT

Between

PACIFIC GAS AND ELECTRIC COMPANY
(as "Buyer")

and

BLACKSPRING RIDGE IA WIND PROJECT LP
(as "Seller")

POWER PURCHASE AGREEMENT

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Appendix I Form of Letter of Credit

Appendix II Initial Energy Delivery Date Confirmation Letter

Appendix III Milestones Schedule

Attachment A Form of Monthly Progress Report

Appendix IV Project Description Including Description of Site

Attachment A Delivery Point Diagram

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POWER PURCHASE AGREEMENT

PREAMBLE

This Power Purchase Agreement, together with the appendices and any other attachments referenced herein, is made and entered into between Pacific Gas and Electric Company, a California corporation (“Buyer” or “PG&E”), and Blackspring Ridge IA Wind Project LP, a Limited Partnership created under the laws of the Province of Alberta (“Seller”), as of the Execution Date set forth on the signature page hereof. Buyer and Seller hereby agree to the following:

GENERAL TERMS AND CONDITIONS

ARTICLE ONE: GENERAL DEFINITIONS

1.1 “AESO” means the independent system operator operating as the Alberta Electric System Operator, or any successor entity performing similar functions.

1.2 “AESO Pool Price” means the price for electric energy in C\$/MWh reported by the AESO for each settlement interval of the trading day in accordance with rule 6.3.9.1 of the ISO Rules.

1.3 “AESO Tariff” means AESO's 2007 General Tariff Application as approved by the AUC in Order U2008-217 effective August 1, 2008, as it may be amended, supplemented or replaced (in whole or in part) from time to time.

1.4 “Affiliate” means, with respect to any person or entity, any other person or entity (other than an individual) that (a) directly or indirectly, through one or more intermediaries, controls, or is controlled by such person or entity or (b) is under common control with such person or entity. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.5 “Agreement” means this Power Purchase Agreement between Buyer and Seller, which is comprised of the Preamble, these General Terms and Conditions, and all appendices, schedules and any written supplements attached hereto and incorporated herein by references, as well as all written and signed amendments and modifications thereto. For purposes of Section 10.12, the word “agreement” shall have the meaning set forth in this definition.

1.6 “Arbitration” has the meaning set forth in Section 12.3.

1.7 “Available Capacity” means the capacity from the Project, expressed in whole megawatts, that is available to generate Product.

1.8 “As-Available Product” means a Product for which, subject to the terms of this Agreement, (a) Seller is obligated to sell and deliver and (b) Buyer is obligated to purchase and receive, the Energy component of the Product from the Project whenever such Energy is capable of being generated from the Project.

1.9 “Bankrupt” means with respect to any entity, such entity that (a) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar Law, or (b) has any such petition filed or commenced against it (which petition is not dismissed within ninety (90) days), (c) makes an assignment

or any general arrangement for the benefit of creditors, (d) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (e) is generally unable to pay its debts as they fall due.

1.10 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday and shall be between the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party’s principal place of business where the relevant Party, in each instance unless otherwise specified, shall be the Party from whom the Notice, payment or delivery is being sent and by whom the Notice or payment or delivery is to be received.

1.11 “Buyer” has the meaning set forth in the Preamble.

1.12 “Buyer’s WREGIS Account” has the meaning set forth in Section 3.1(k)(i).

1.13 “C\$” means Canadian dollars.

1.14 “CAISO” means the California Independent System Operator Corporation or any successor entity performing similar functions.

1.15 “CAISO Tariff” means the CAISO FERC Electric Tariff, First Replacement Volume No. 1, as it may be amended, supplemented or replaced (in whole or in part) from time to time.

1.16 “California Renewables Portfolio Standard” means the renewable energy program and policies established by California State Senate Bills 1038 and 1078, codified in California Public Utilities Code Sections 399.11 through 399.20 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

1.17 “CEC” means the California Energy Commission or its successor agency.

1.18 “CEC Certification and Verification” means that the CEC has certified (or, with respect to periods before the Project has commenced operations, that the CEC has pre-certified) that the Project is an ERR for purposes of the California Renewables Portfolio Standard and that all Energy produced by the Project qualifies as generation from an ERR for purposes of the Project.

1.19 “Change of Control” has the meaning set forth in Section 10.6(c)(i).

1.20 “Claims” means all third party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination or expiration of this Agreement.

1.21 “Commercial Operation” means at least eighty percent (80%) of the Contract Capacity associated with the Project is operating and able to produce and deliver Energy to Buyer pursuant to the terms of this Agreement.

1.22 “Commercial Operation Date” means the date on which Seller (a) notifies Buyer that Commercial Operation has commenced and (b) provides a certification of a Licensed Professional Engineer, substantially in the form attached hereto as Attachment A to Appendix VI, demonstrating satisfactory completion of the Commercial Operation Certification Procedure as provided in Appendix VI hereto.

1.23 “Condition Precedent” means each of, or one of, the conditions set forth in Section 2.4(a)(i) through (iv) and “Conditions Precedent” shall refer to all of the conditions set forth in Section 2.4(a)(i) through (iv).

1.24 “Construction Cure Period” has the meaning set forth in Section 3.9(c)(iv)(A).

1.25 “Construction Start Date” means the later to occur of the date on which Seller delivers to Buyer (a) a copy of the Notice to Proceed that Seller has delivered to the EPC Contractor for the Project, and (b) a written certification substantially in the form attached hereto as Attachment A to Appendix VI.

1.26 “Contract Capacity” has the meaning set forth in Section 3.1(f).

1.27 “Contract Price” means the price to be paid by Buyer to Seller for the purchase of the Product, as specified in Section 4.1.

1.28 “Contract Quantity” means the quantity of Delivered Energy that is expected to be delivered by Seller during each Contract Year as set forth in Section 3.1(e)(i).

1.29 “Contract Year” means a period of twelve (12) consecutive months. The first Contract Year shall commence on the Initial Energy Delivery Date and each subsequent Contract Year shall commence on the anniversary of the Initial Energy Delivery Date.

1.30 “Costs” means, with respect to the Non-Defaulting Party, (a) brokerage fees, commissions and other similar third party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or in entering into new arrangements which replace the Terminated Transaction; and (b) all reasonable attorneys’ fees and expenses incurred by the Non-Defaulting Party in connection with the termination of the Transaction.

1.31 “CPUC” or “Commission or successor entity” means the California Public Utilities Commission, or successor entity.

1.32 “CPUC Approval” means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer’s administration of the Agreement; and

(b) finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 *et seq.*), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

1.33 “Credit Rating” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then

assigned to such entity as an issuer rating by S&P or Moody's. If ratings by S&P and Moody's are not equivalent, the lower rating shall apply.

1.34 "Cure" has the meaning set forth in Section 8.5(a).

1.35 "Curtailed Period" means the period of time during which there is any of the following: (a) the AESO orders Seller to curtail Energy deliveries for reasons including, but not limited to, any system emergency or warning of an anticipated system emergency, or warning of an imminent condition or situation, which jeopardizes the AESO's electric system integrity or the integrity of other systems to which the AESO is connected; (b) scheduled or unscheduled maintenance on the Transmission Provider's transmission facilities that prevents Seller from delivering or Buyer from receiving Delivered Energy at the Delivery Point; or (c) a curtailment of Energy from the Project in accordance with Seller's obligations under its interconnection agreement with the Transmission Provider or under any Canadian or Alberta law to which Seller, Buyer or the Project is subject.

1.36 "Daily Delay Damages" means with respect to a Guaranteed Project Milestone, an amount equal to (a) the Project Development Security Amount posted as of the first date that Daily Delay Damages are payable under this Agreement with respect to such Guaranteed Project Milestone, divided by (b) 120.

1.37 "Damage Payment" means the dollar amount equal to (a) the amount initially posted as Project Development Security pursuant to Section 8.4(a)(i), less (b) amounts collected by Buyer as Daily Delay Damages pursuant to Section 3.9(c)(iv).

1.38 "Defaulting Party" means the Party that is subject to an Event of Default.

1.39 "Deficient Month" has the meaning set forth in Section 3.1(k)(v).

1.40 "Delivered Energy" means all Energy produced from the Project as measured in MWh at the revenue meter of the Project net of all Electrical Losses.

1.41 "Delivery Point" means the point at which Buyer receives Seller's Product, as identified in Section 3.1(d).

1.42 "Delivery Term" has the meaning set forth in Section 3.1(c).

1.43 "Delivery Term Security" means the Performance Assurance that Seller is required to maintain, as specified in Article Eight, to secure performance of its obligations during the Delivery Term.

1.44 "Development Failure" means the failure of Seller to perform one or more of those obligations under this Agreement that arise(s) out of or relate(s) to Seller's obligations to design, develop, obtain permits for, interconnect, construct, test or complete the Project or the Electric System Upgrades, or any components thereof, including in connection with any obligation of Seller to deliver Product hereunder; provided that (1) Seller has used good faith efforts in performing its development obligations under this Agreement, and (2) such failure occurs prior to the Commercial Operation Date.

1.45 "Disclosing Party" has the meaning set forth in Section 10.7.

1.46 "Disclosure Order" has the meaning set forth in Section 10.7.

1.47 “DUNS” means the Data Universal Numbering System, which is a unique nine character identification number provided by Dun and Bradstreet.

1.48 “Early Termination Date” has the meaning set forth in Section 5.2.

1.49 “Effective Date” means the date on which all of the Conditions Precedent set forth in Section 2.4(a) have been satisfied or waived in writing by both Parties.

1.50 “Electrical Losses” means all applicable losses to the Delivery Point, but only to the extent the revenue meter is not already adjusted to reflect such losses, including, but not limited to, any transmission or transformation losses between the revenue meter and the Delivery Point.

1.51 “Electric System Upgrades” means any Network Upgrades or Interconnection Facilities that are determined to be necessary by the Transmission Provider to physically and electrically interconnect the Project to the Transmission Provider's electric system for receipt of Energy at the Delivery Point.

1.52 “Eligible Renewable Energy Resource” or “ERR” has the meaning set forth in California Public Utilities Code Section 399.12 and California Public Resources Code Section 25741, as either code provision is amended or supplemented from time to time.

1.53 “Energy” means three-phase, 60-cycle alternating current electric energy measured in MWh and net of auxiliary loads and station electrical uses (unless otherwise specified). For purposes of Section 1.81, “Green Attributes,” the word “energy” shall have the meaning set forth in this definition.

1.54 “EPC Contract” means the Seller’s engineering, procurement and construction contract with the EPC Contractor.

1.55 “EPC Contractor” means the engineering, procurement, and construction contractor, selected by Seller, with substantial experience in the engineering, procurement, and construction of interconnection facilities or power plants of the same type of facility as the Seller’s.

1.56 “Equitable Defenses” means any bankruptcy, insolvency, reorganization or other Laws affecting creditors’ rights generally and, with regard to equitable remedies, the discretion of the court before which proceedings may be pending to obtain same.

1.57 “EU Act” means the *Electric Utilities Act* (Alberta), c. E-5.1.

1.58 “Event of Default” has the meaning set forth in Section 5.1.

1.59 “Execution Date” means the latest signature date found on the signature page of this Agreement.

1.60 “Executive(s)” has the meaning set forth in Section 12.2(a).

1.61 “External Costs” means all additional out-of-pocket costs and expenses incurred by Seller and paid directly to third parties in connection with any of the obligations under 3.1(k) (WREGIS), 3.1(l) (Obtaining and Maintaining CEC Certification and Verification), 10.2(b) (Seller Representations and Warranties), and 10.2(c) (Additional Seller Representations and Warranties), due to a change, amendment or enactment of Law or change in the WREGIS Operating Rules or WREGIS fees, after the Execution Date which requires Seller to incur additional costs and expenses in connection with any of

such obligations, in excess of the costs and expenses incurred for such obligations under the Law or WREGIS Operating Rules and fees in effect as of the Execution Date, including registration fees, volumetric fees, license renewal fees, and external consultant fees necessary for compliance, *but excluding* Seller's internal administrative and staffing costs. External Costs shall not include increased costs and expenses that occur for reasons other than a change, amendment or enactment of Law or change in the WREGIS Operating Rules or WREGIS fees, after the Execution Date.

1.62 “External Costs Requirement” has the meaning set forth in Section 3.1(m).

1.63 “FERC” means the Federal Energy Regulatory Commission or any successor government agency.

1.64 “Final Output Report” means the unabridged and unredacted final report provided to Buyer as set forth in Section 3.9(a)(vii) concerning the Energy producing potential of the Site, inclusive of anticipated Forced Outages on an annual basis, prepared by a Licensed Professional Engineer who shall be retained by Seller.

1.65 “Financing Delay” has the meaning set forth in Section 3.9(c)(iii)(A)(IV).

1.66 “Force Majeure” means any event or circumstance which wholly or partly prevents or delays the performance of any material obligation arising under this Agreement, but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the Party seeking to have its performance obligation(s) excused thereby, (ii) the Party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions and measures in order to prevent or avoid such event or mitigate the effect of such event on such Party’s ability to perform its obligations under this Agreement and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by the exercise of due diligence it has been unable to overcome, and (iii) such event is not the direct or indirect result of the negligence or the failure of, or caused by, the Party seeking to have its performance obligations excused thereby.

(a) Subject to the foregoing, events that could qualify as Force Majeure include, but are not limited to, the following:

(i) flooding, lightning, landslide, earthquake, fire, drought, explosion, epidemic, quarantine, storm, hurricane, tornado, other natural disaster or unusual or extreme adverse weather-related events;

(ii) war (declared or undeclared), riot or similar civil disturbance, acts of the public enemy (including acts of terrorism), sabotage, blockade, insurrection, revolution, expropriation or confiscation;

(iii) except as set forth in subsection (b)(vii) below, strikes, work stoppage or other labor disputes (in which case the affected Party shall have no obligation to settle the strike or labor dispute on terms it deems unreasonable);

(iv) emergencies declared by the Transmission Provider or any other authorized successor or regional transmission organization or any state or federal regulator or legislature requiring a forced curtailment of the Project or making it impossible for the Transmission Provider to transmit Energy, including Energy to be delivered pursuant to this Agreement; provided that, if a curtailment of the Project pursuant to this subsection (a)(iv) would also meet the definition of a Curtailment Period, then it shall be treated as a Curtailment Period for purposes of Section 3.1(i); or

Years. (v) Serial Defects, but only if it occurs within the first three (3) Contract

(b) Force Majeure shall not be based on:

(i) Buyer's inability economically to use or resell the Product purchased hereunder;

(ii) Seller's ability to sell the Product at a price greater than the price set forth in this Agreement;

(iii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Project;

(iv) Seller's inability to obtain sufficient fuel, power or materials to operate the Project, except if Seller's inability to obtain sufficient fuel, power or materials is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(v) Seller's failure to obtain additional funds, including funds authorized by a state or the federal government or agencies thereof, to supplement the payments made by Buyer pursuant to this Agreement;

(vi) a Forced Outage except where such Forced Outage is caused by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above;

(vii) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, the EPC Contractor or subcontractors thereof or any other third party employed by Seller to work on the Project;

(viii) any equipment failure except if such equipment failure is caused solely by an event of Force Majeure of the specific type described in any of subsections (a)(i) through (a)(iv) above; or

(ix) a Party's inability to pay amounts due to the other Party under this Agreement, except if such inability is caused solely by a Force Majeure event that disables physical or electronic facilities necessary to transfer funds to the payee Party.

1.67 "Force Majeure Construction Extension" has the meaning set forth in Section 3.9(c)(iii)(A)(III).

1.68 "Force Majeure Failure" means either Force Majeure Project Failure or Force Majeure Development Failure, as applicable.

1.69 "Force Majeure Development Failure" has the meaning set forth in Section 11.1(a)(ii).

1.70 "Force Majeure Project Failure" has the meaning set forth in Section 11.1(a)(i).

1.71 "Forced Outage" means any unplanned reduction or suspension of the electrical output from the Project or unavailability of the Project in whole or in part from a Unit in response to a mechanical, electrical, or hydraulic control system trip or operator-initiated trip in response to an alarm or

equipment malfunction and any other unavailability of a Unit for operation, in whole or in part, for maintenance or repair that is not a Planned Outage and not the result of Force Majeure.

1.72 “Gains” means with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining economic benefit may include, without limitation, reference to information either available to it internally or supplied by one or more third parties, including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading hubs (e.g., NYMEX), all of which should be calculated for the remaining Delivery Term to determine the value of the Product and the Non-Renewable Product.

1.73 “GEP Cure” has the meaning set forth in Section 3.1(e)(ii)(B)(I).

1.74 “GEP Damages” has the meaning set forth in Section 3.1(e)(ii)(B)(I).

1.75 “GEP Failure” means Seller’s failure to produce Delivered Energy in an amount equal to or greater than the Guaranteed Energy Production amount for the applicable Performance Measurement Period.

1.76 “GEP Shortfall” means the amount in MWh by which Seller failed to achieve the Guaranteed Energy Production in the applicable Performance Measurement Period.

1.77 “Good Electric Operation Practice” has the meaning set forth in the ISO Rules.

1.78 “Governmental Approval” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any governmental entity and shall include those siting and operating permits and licenses, and any of the foregoing under any applicable environmental Law, that are required for the construction, use and operation of the Project.

1.79 “Governmental Authority” means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

1.80 “Governmental Charges” has the meaning set forth in Section 9.2.

1.81 “Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emission 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), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s

climate by trapping heat in the atmosphere;¹ (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 a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Project, (ii) production tax credits associated with the construction or operation of the Project 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 preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits. If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Project.

1.82 "Green Product" means the Renewable Energy Credits and Green Attributes comprising part of the Product, which are retained by Buyer after the delivery of the Non-Renewable Product by Buyer to Seller, but expressly excluding the remainder of the Product, including the Energy and capacity attributes.

1.83 "Guaranteed Commercial Operation Date" has the meaning set forth in Section 3.9(c)(iii)(B).

1.84 "Guaranteed Construction Start Date" has the meaning set forth in Section 3.9(c)(iii)(A).

1.85 "Guaranteed Energy Production" or "GEP" has the meaning set forth in Section 3.1(e)(ii)(A).

1.86 "Guaranteed Project Milestones" are the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date set forth in 3.9(c)(iii).

1.87 "Increased Capacity Notice" has the meaning set forth in Section 3.9(c)(vi)(B).

1.88 "Initial Energy Delivery Date" has the meaning set forth in Section 3.1(c).

1.89 "Initial Negotiation End Date" has the meaning set forth in Section 12.2(a).

1.90 "Interconnected Electric System" has the meaning given to it in the EU Act.

1.91 "Interconnection Delay" has the meaning set forth in Section 3.9(c)(iii)(B).

1.92 "Interconnection Facilities" means the Transmission Provider's Interconnection Facilities and the Seller's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities

¹ Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Green Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

and equipment between the Project and the Interconnection Point, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Project to the Transmission Provider's transmission system. Interconnection Facilities are sole use facilities and shall not include Network Upgrades.

1.93 "Interconnection Point" means the Project's first point of interconnection to the Transmission Provider's transmission system, as specified in Seller's LGIA.

1.94 "Interest Amount" means, with respect to an Interest Period, the amount of interest calculated as follows: (a) the sum of (i) the principal amount of Performance Assurance in the form of cash held by Buyer during that Interest Period, and (ii) the sum of all accrued and unpaid Interest Amounts accumulated prior to such Interest Period; (b) multiplied by the Interest Rate in effect for that Interest Period; (c) multiplied by the number of days in that Interest Period; (d) divided by 360.

1.95 "Interest Payment Date" means the last Business Day of each calendar year.

1.96 "Interest Period" means the monthly period beginning on the first day of each month and ending on the last day of each month.

1.97 "Interest Rate" means the rate per annum equal to the "Monthly" Federal Funds Rate (as reset on a monthly basis based on the latest month for which such rate is available) as reported in Federal Reserve Bank Publication H.15-519, or its successor publication.

1.98 "ISO Rules" means the "ISO Rules" as such term is defined in the EU Act.

1.99 "JAMS" means JAMS, Inc. or its successor entity, a judicial arbitration and mediation service.

1.100 "Law" means any statute, law, treaty, rule, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Execution Date, and which becomes effective after the Execution Date; or any binding interpretation of the foregoing. For purposes of Sections 1.32 "CPUC Approval," 1.81 "Green Attributes," 10.2(b), "Seller Representations and Warranties," 10.2(c) "Additional Seller Representations and Warranties," and 10.12 "Governing Law", the term "law" shall have the meaning set forth in this definition.

1.101 "Letter(s) of Credit" means one or more irrevocable, non-transferable standby letters of credit issued by (a) a U.S. commercial bank or (b) a U.S. branch of a foreign commercial bank with sufficient assets in the United States, as reasonably determined by Buyer, with either such bank having a Credit Rating of at least A from S&P or A2 from Moody's, substantially in the form as contained in Appendix I to this Agreement with such changes as may be reasonably requested by the Letter of Credit issuer and reasonably acceptable to Buyer. If ratings by S&P and Moody's are not equivalent, the lower rating shall apply.

1.102 "LGIA" means the agreement and associated documents by and among Seller and the Transmission Provider governing the terms and conditions of Seller's interconnection with the Transmission Provider's transmission system, including any description of the plan for interconnecting to the Transmission Provider's transmission system.

1.103 “LGIP” means the procedures set forth in the Transmission Provider Tariff and associated documents; provided that if the LGIP is replaced by such other successor procedures governing interconnection (a) to the Transmission Provider's transmission system or (b) of generating facilities with an expected net capacity equal to or greater than the Project's Contract Capacity, the term “LGIP” shall then apply to such successor procedure.

1.104 “Licensed Professional Engineer” means a person acceptable to Buyer in its reasonable judgment who (a) is licensed to practice engineering in Alberta, Canada, (b) has training and experience in the power industry reasonably related to the technology of the Project, (c) has no economic relationship, association, or nexus with Seller or Buyer, other than to meet the obligations of Seller pursuant to this Agreement, (d) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the development of the Project or of a manufacturer or supplier of any equipment installed at the Project, and (e) is licensed in an appropriate engineering discipline for the required certification being made.

1.105 “Losses” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 5.3 hereof. Factors used in determining the loss of economic benefit may include, without limitation, reference to information either available to it internally or supplied by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading hubs (e.g. NYMEX), all of which should be calculated for the remaining term of the Transaction to determine the value of the Product and the Non-Renewable Product. If the Non-Defaulting Party is the Seller, then “Losses” shall exclude any loss of Canadian or U.S. federal or provincial or state tax credits, grants, or benefits related to the Seller, Project, or generation therefrom.

1.106 “Manager” has the meaning set forth in Section 12.2(a).

1.107 “Milestones” means the key development activities required for the construction and operation of the Project, as set forth in Appendix III.

1.108 “Monthly Progress Report” means the report similar in form and content attached hereto as Attachment A to Appendix III.

1.109 “Monthly Payment” has the meaning set forth in Section 4.2.

1.110 “Moody's” means Moody's Investor Services, Inc., or its successor.

1.111 “MW” means megawatt.

1.112 “MWh” means megawatt-hour.

1.113 “NERC” means the North American Electric Reliability Corporation or a successor organization that is responsible for establishing reliability criteria and protocols.

1.114 “Network Upgrades” means the additions, modifications, and upgrades to the Transmission Provider's transmission system required at or beyond the point at which the Interconnection

Facilities connect to the Transmission Provider's transmission system to accommodate the interconnection of the Project to the Transmission Provider's transmission system.

1.115 “New Generation Facility” means a project that (a) has not previously been operational and able to produce and deliver Energy to another entity or (b) must be re-powered or expanded in order to deliver the Product pursuant to the terms set forth in this Agreement.

1.116 “Non-Defaulting Party” has the meaning set forth in Section 5.2.

1.117 “Non-Renewable Product” means all elements of the Product except those comprising the Green Product.

1.118 “Non-Renewable Product Price” means the price to be paid by Seller to Buyer for the purchase of the Non-Renewable Product, as specified in Section 4.1.

1.119 “Notice” shall, unless otherwise specified in the Agreement, mean written communications required or permitted to be delivered hereunder by a Party to be delivered by hand delivery, United States mail, overnight courier service, facsimile or electronic messaging (e-mail). Appendix XI contains the names and addresses to be used for Notices.

1.120 “Notice to Proceed” means the notice provided by Seller to the EPC Contractor following execution of the EPC Contract between Seller and such EPC Contractor, by which Seller authorizes such EPC Contractor to begin construction of the Project without any delay or waiting periods.

1.121 “Obligor” means the Party breaching the terms of this Agreement.

1.122 “Original Contract Capacity” means one hundred fifty (150) MW.

1.123 “Outage Notification Procedures” means the procedures specified in Appendix VIII, attached hereto. PG&E reserves the right to revise or change the procedures upon written Notice to Seller.

1.124 “Partial Completion Damages” has the meaning set forth in Section 3.9(c)(vi)(A).

1.125 “Party” means the Buyer or Seller individually, and “Parties” means both collectively. For purposes of Section 10.12, Governing Law, the word “party” or “parties” shall have the meaning set forth in this definition.

1.126 “Performance Assurance” means collateral provided by Seller to Buyer to secure Seller’s obligations hereunder and includes Project Development Security and Delivery Term Security.

1.127 “Performance Measurement Period” has the meaning set forth in Section 3.1(e)(ii)(A).

1.128 “Permitting Delay” has the meaning set forth in Section 3.9(c)(iii)(A)(I).

1.129 “Permitted Extensions” means extensions to either of the Guaranteed Project Milestones due to Permitting Delay, Transmission Delay, Interconnection Delay, Financing Delay, Force Majeure Construction Extension, or a Force Majeure occurring after the Construction Start Date, as applicable to each Guaranteed Project Milestone pursuant to Section 3.9(c)(iii)(A) or (B).

1.130 “Planned Outage” means the removal of equipment from service availability for inspection, maintenance, repair, and/or general overhaul of one or more major equipment groups. To qualify as a Planned Outage, the maintenance (a) must actually be conducted during the Planned Outage, and in Seller’s sole discretion must be of the type that is necessary to reliably maintain the Project, (b) cannot be reasonably conducted during Project operations, and (c) causes the generation level of the Project to be reduced by at least ten percent (10%) of the Contract Capacity.

1.131 “Preamble” means the paragraph that precedes Article One: General Definitions to this Agreement.

1.132 “Product” means the Energy, and all ancillary products, services or attributes related to the foregoing which are or can be produced by or associated with the Project, including without limitation, Renewable Energy Credits and Green Attributes.

1.133 “Project” means all of the Unit(s), the Site at which the generating facility is located, and the other assets, tangible and intangible, that compose the generation facility, including but not limited to the assets used to connect the Unit(s) to the Interconnection Point, as more particularly described on Appendix IV. For purposes of Section 1.81, “Green Attributes,” the word “project” shall have the meaning set forth in this definition.

1.134 “Project Cure Period” has the meaning set forth in Section 3.9(c)(iv)(A).

1.135 “Project Development Security” is the collateral required of Seller, as specified and referred to in Section 8.4(a).

1.136 “Prolonged Outage” is any period of more than thirty (30) consecutive days during which the Project is or will be unable, for whatever reason, to provide at least sixty percent (60%) of the Contract Capacity.

1.137 “Referral Date” has the meaning set forth in Section 12.2(a).

1.138 “Remedial Action Plan” has the meaning provided in Section 3.9(c)(ii).

1.139 “Renewable Energy Credit” has the meaning set forth in California Public Utilities Code Section 399.12(f) and CPUC Decision 08-08-028, as may be amended from time to time or as further defined or supplemented by Law.

1.140 “S&P” means the Standard & Poor’s Rating Group (a division of McGraw-Hill, Inc.) or its successor.

1.141 “Satisfaction Date” has the meaning set forth in Section 2.5.

1.142 “SEC” means the U.S. Securities and Exchange Commission.

1.143 “Seller” has the meaning set forth in the Preamble.

1.144 “Seller Excuse Hours” means those hours during which Seller is unable to deliver Delivered Energy to Buyer as a result of (a) a Force Majeure event, (b) Buyer’s failure to perform, or (c) a Curtailment Period.

1.145 “Seller's Owner” has the meaning set forth in Section 10.6(c)(i).

1.146 "Seller's WREGIS Account" has the meaning set forth in Section 3.1(k)(i).

1.147 "Serial Defect" means a defect which results in a material reduction in the output of the Project caused by the failure, or required removal from service, of a Unit in accordance with Good Electric Operation Practice or the manufacturer of the Unit has issued a maintenance bulletin regarding the defect, affecting (a) at least thirty (30%) of the Contract Capacity, and (b) at least one (1) wind power generating facility other than the Project and other projects owned by Seller, Greengate Power Corp., or Affiliates of Greengate Power Corp.

1.148 "Settlement Amount" means the amount in US\$ equal to the sum of Losses, Gains, and Costs, which the Non-Defaulting Party incurs as a result of the termination of this Agreement.

1.149 "Site" means the location of the Project as described in Appendix IV, which description may include an unspecified area of real property within a specified area of real property that Seller or its Affiliates own or otherwise have rights to and on which Seller or its Affiliates may develop, construct, operate and maintain the Project. Such description may include an area of real property that overlaps with or is the same as the real property described in the power purchase agreement between Buyer and Blackspring Ridge IB Wind Project LP; provided that such description of the Site is updated by Seller pursuant to Section 3.1(g)(vi).

1.150 "Term" has the meaning provided in Section 2.5.

1.151 "Terminated Transaction" means the Transaction terminated in accordance with Section 5.2 of this Agreement.

1.152 "Termination Payment" means the payment amount equal to the sum of (a) and (b), where (a) is the Settlement Amount and (b) is the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

1.153 "Test Period" means the period commencing on the first date that the Transmission Provider informs Seller in writing that Seller may deliver Energy from the Project to the Delivery Point and ending when Seller meets the requirements for the occurrence of the Initial Energy Delivery Date set forth in Section 3.1(c).

1.154 "Transaction" means the particular transaction described in its entirety in Section 3.1(b) of this Agreement.

1.155 "Transmission Delay" has the meaning set forth in Section 3.9(c)(iii)(A)(II).

1.156 "Transmission Provider" means the AESO.

1.157 "Transmission Provider Tariff" means the AESO Tariff.

1.158 "Uninstalled Capacity" has the meaning set forth in Section 3.9(c)(vi)(B).

1.159 "Unit" means the wind turbine generators used to produce the Products, which are identified in Appendix IV for the Transaction entered into under this Agreement.

1.160 "US\$" means United States dollars.

1.161 “WECC” means the Western Electricity Coordinating Council or successor agency.

1.162 “WREGIS” means the Western Renewable Energy Generating Information System or any successor renewable energy tracking program.

1.163 “WREGIS Certificate Deficit” has the meaning set forth in Section 3.1(k)(v).

1.164 “WREGIS Certificates” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for demonstrating compliance with the California Renewables Portfolio Standard.

1.165 “WREGIS Operating Rules” means those operating rules and requirements adopted by WREGIS as of June 4, 2007, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.166 “Work” means (a) work or operations performed by a Party or on a Party’s behalf, and (b) materials, parts or equipment furnished in connection with such work or operations, including (i) warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “a Party’s work”, and (ii) the providing of or failure to provide warnings or instructions.

ARTICLE TWO: GOVERNING TERMS AND TERM

2.1 Entire Agreement. This Agreement, together with the Preamble and each and every appendix, attachment, amendment, schedule and any written supplements hereto, if any, between the Parties constitutes the entire, integrated agreement between the Parties.

2.2. Interpretation. The following rules of interpretation shall apply in addition to those set forth in Section 10.13:

(a) The term “month” shall mean a calendar month unless otherwise indicated, and a “day” shall be a 24-hour period beginning at 12:00:01 a.m. Pacific Prevailing Time and ending at 12:00:00 midnight Pacific Prevailing Time; provided that a “day” may be 23 or 25 hours on those days on which daylight savings time begins and ends.

(b) Unless otherwise specified herein, all references herein to any agreement or other document of any description shall be construed to give effect to amendments, supplements, modifications or any superseding agreement or document as then existing at the applicable time to which such construction applies.

(c) Capitalized terms used in this Agreement, including the appendices hereto, shall have the meaning set forth in Article One, unless otherwise specified.

(d) Unless otherwise specified herein, references in the singular shall include references in the plural and vice versa, pronouns having masculine or feminine gender will be deemed to include the other, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality). Other grammatical forms of defined words or phrases have corresponding meanings.

(e) References to a particular article, section, subsection, paragraph, subparagraph, appendix or attachment shall, unless specified otherwise, be a reference to that article, section, subsection, paragraph, subparagraph, appendix or attachment in or to this Agreement.

(f) Any reference in this Agreement to any natural person, Governmental Authority, corporation, partnership or other legal entity includes its permitted successors and assigns or to any natural person, Governmental Authority, corporation, partnership or other legal entity succeeding to its functions.

(g) All references to dollars are to U.S. dollars, unless otherwise specified.

2.3 Authorized Representatives. Each Party shall provide Notice to the other Party of the persons authorized to make Notices on behalf of such Party and specify the scope of their individual authority and responsibilities, and may change its designation of such persons from time to time in its sole discretion by providing Notice.

2.4. Conditions Precedent.

(a) Conditions Precedent. Subject to Section 2.6 hereof, the Term shall not commence until the occurrence of all of the following:

(i) This Agreement has been duly executed by the authorized representatives of each of Buyer and Seller;

(ii) CPUC Approval has been obtained;

(iii) Buyer receives a final and non-appealable order of the CPUC that finds that Buyer's entry into this Agreement and the related compliance strategy that allows Buyer to use the Product for California Renewables Portfolio Standard compliance purposes are reasonable and that payments to be made by Buyer hereunder are recoverable in rates; and

(iv) Buyer receives from Seller an officer's certificate for Seller, dated on the Execution Date and signed by a duly authorized officer certifying that the documents listed in Appendix XIII (Seller Documentation), which were provided to Buyer prior to the Execution Date, are true and complete and in full force and effect as of the Execution Date.

Within thirty (30) days after the Execution Date, Buyer shall submit this Agreement to the CPUC with a request for CPUC Approval.

(b) Failure to Meet All Conditions Precedent. If the Conditions Precedent set forth in Sections 2.4(a)(ii) through (iv) are not satisfied or waived in writing by both Parties on or before July 9, 2010, then either Party may terminate this Agreement effective upon receipt of Notice by the other Party, which Notice must be received on or before August 10, 2010. Neither Party shall have any obligation or liability to the other, including for a Termination Payment or otherwise, by reason of such termination, and Buyer shall promptly return the Project Development Security Seller has delivered to Buyer to Seller. Upon satisfaction or waiver of all Conditions Precedent, each Party agrees to provide a reasonable written acknowledgement of same to the other Party if so requested in writing.

2.5 Term. (a) The term shall commence upon the satisfaction of the Conditions Precedent set forth in Section 2.4(a) of this Agreement and shall remain in effect until the conclusion of the Delivery Term unless terminated sooner pursuant to Sections 2.4(b), 3.9(c)(v), 3.9(c)(vii), 5.2, or Section 11.1 of this Agreement (the “Term”); provided, however, that this Agreement shall thereafter remain in effect (i) until (A) the Parties have fulfilled all obligations with respect to the Transaction, including payment in full of amounts due for the Products delivered prior to the end of the Term, the Settlement Amount, or other damages (whether directly or indirectly such as through set-off or netting) and (B) the undrawn portion of the Project Development Security or Delivery Term Security, as applicable, is released and/or returned as applicable (the “Satisfaction Date”) or (ii) in accordance with the survival provisions set forth in subpart (b) below.

(b) Notwithstanding anything to the contrary in this Agreement, (i) all rights under Section 10.5 (Indemnities) and any other indemnity rights shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional twelve (12) months; (ii) all rights and obligations under Section 10.7 (Confidentiality) shall survive the Satisfaction Date or the end of the Term (whichever is later) for an additional two (2) years; and (iii) the right of offer in Section 11.1(b) shall survive the Satisfaction Date for three (3) years.

2.6 Binding Nature.

(a) Upon Execution Date. This Agreement shall be effective and binding as of the Execution Date only to the extent required to give full effect to, and enforce, the rights and obligations of the Parties under:

- (i) Sections 3.9(a)(vi), 5.1(a)(iv)-(v), and 5.1(b)(v);
- (ii) Section 5.1(a)(ii) only with respect to Section 10.2, and Section 5.1(a)(iii) only with respect to the Sections identified in this Section 2.6;
- (iii) Sections 5.2 through 5.7;
- (iv) Sections 8.3, 8.4(a)(i) and the final two (2) sentences of 8.4(a), 8.4(b), and 8.5;
- (v) Sections 10.2, 10.6 through 10.8, and Sections 10.12 through 10.15; and
- (vi) Articles One, Two, Seven, Twelve and Thirteen.

(b) Upon Effective Date. This Agreement shall be in full force and effect, enforceable and binding in all respects, upon occurrence of the Effective Date.

ARTICLE THREE: OBLIGATIONS AND DELIVERIES

3.1 Seller’s and Buyer’s Obligations.

(a) Product. The Product to be delivered and sold by Seller and received and purchased by Buyer under this Agreement is an As-Available Product.

(b) Transaction. Unless specifically excused by the terms of this Agreement during the Delivery Term, (i) Seller shall sell and deliver, or cause to be delivered, the Product to the Delivery Point, and Buyer shall purchase and receive, or cause to be received, the Product at the Delivery Point,

and (ii) Buyer shall immediately thereafter sell and deliver, or cause to be delivered, and Seller shall purchase and receive, or cause to be received at the Delivery Point, the same quantity of Non-Renewable Product, at the applicable prices set forth in Section 4.1 in accordance with the terms of this Agreement. The Parties agree that so long as Seller sells and delivers the Product to Buyer, the sale and delivery of Non-Renewable Product from Buyer to Seller immediately thereafter shall be automatic, continuous and unconditional. The net result of the transaction is Buyer's purchase and retention of all Green Product that is part of the Product delivered by Seller to Buyer and Seller's retention of the Non-Renewable Product delivered by Buyer to Seller, at the Delivery Point pursuant to this Agreement. The Parties agree and acknowledge that all Green Product purchased and retained by Buyer hereunder shall not be used in Canada. In no event shall Seller have the right (v) to procure any element of the Product from sources other than the Project for sale or delivery to Buyer under this Agreement or (w) sell Product from the Project to a third party, except as set forth in Section 3.1(f). In no event shall Buyer have the right to procure any element of the Non-Renewable Product from sources other than the Product for sale or delivery to Seller under this Agreement. Buyer shall have no obligation to receive or purchase Product from Seller prior to or after the Delivery Term, except during the Test Period. Seller shall be responsible for any costs or charges imposed on or associated with the Product or its delivery of the Product up to the Delivery Point and for any costs or charges imposed on or associated with the Non-Renewable Product after its receipt at and from the Delivery Point. Buyer shall be responsible for any costs or charges imposed on or associated with the Product after its receipt at and from the Delivery Point and prior to the delivery of the Non-Renewable Product to Seller. Each Party agrees to act in good faith in the performance of its obligations under this Agreement.

(c) Delivery Term. The Parties shall specify and agree to the period of Product delivery for the "Delivery Term," as defined herein, by checking one of the following boxes:

- Delivery shall be for a period of ten (10) Contract Years.
- Delivery shall be for a period of fifteen (15) Contract Years.
- Delivery shall be for a period of twenty (20) Contract Years.
- Non-standard Delivery shall be for a period of ____ Contract Years.

As used herein, "Delivery Term" shall mean the period of twenty (20) Contract Years specified above beginning on the Initial Energy Delivery Date and continuing until the end of the twentieth (20th) Contract Year unless terminated as provided by the terms of this Agreement. The "Initial Energy Delivery Date" shall be the first date that Seller delivers Product to Buyer from the Project and all of the following have been satisfied: (A) the Commercial Operation Date has occurred; (B) Buyer shall have received the Delivery Term Security in accordance with the relevant provisions of Article Eight of the Agreement, as applicable; (C) Seller shall have obtained the requisite CEC Certification and Verification for the Project; and (D) all of the applicable Conditions Precedent in Section 2.4(a) of the Agreement have been satisfied or waived in writing. As evidence of the Initial Energy Delivery Date, the Parties shall execute and exchange the "Initial Energy Delivery Date Confirmation Letter" attached hereto as Appendix II.

(d) Delivery Point. The Delivery Point shall be the point in the Project's gathering system that is immediately prior to entering the Project substation and shall not be considered by AESO a part of the Interconnected Electric System for the purposes of the EU Act, as shown in the diagram in Attachment A to Appendix IV.

(e) Contract Quantity and Guaranteed Energy Production.

(i) Contract Quantity. The Contract Quantity during each Contract Year is the amount set forth for the applicable Contract Year in the “Delivery Term Contract Quantity Schedule,” attached hereto as Appendix V, which amount is inclusive of outages.

(ii) Guaranteed Energy Production.

(A) Throughout the Delivery Term, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production over two (2) consecutive Contract Years during the Delivery Term (“Performance Measurement Period”). “Guaranteed Energy Production” means an amount of Delivered Energy, as measured in MWh, equal to the product of (x) and (y), where (x) is one hundred forty percent (140%) of the average of the Contract Quantities for each of the two (2) Contract Years comprising the Performance Measurement Period, and (y) is the quotient of the difference between (I) and (II), with the resulting difference divided by (I), where (I) is the number of hours in the applicable Performance Measurement Period and (II) is the aggregate number of Seller Excuse Hours in the applicable Performance Measurement Period.

(B) (I) If Seller has a GEP Failure, then within forty-five (45) days after the last day of the last month of such Performance Measurement Period, Buyer shall promptly notify Seller of such failure. Seller may cure the GEP Failure by delivering to Buyer over the next Contract Year no less than ninety percent (90%) of the Contract Quantity set forth in Appendix V for that next Contract Year (“GEP Cure”). If Seller fails to generate sufficient Delivered Energy to achieve the GEP Cure for a given Performance Measurement Period, Seller shall pay liquidated damages in the amount calculated pursuant to Appendix VII (“GEP Damages”).

(II) The Parties agree that the damages sustained by Buyer associated with Seller’s failure to achieve the Guaranteed Energy Production requirement would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive and therefore agree that Seller shall pay the GEP Damages to Buyer as liquidated damages. In no event shall Buyer be obligated to pay GEP Damages.

(III) After the GEP Cure period has run, if Seller has not achieved the GEP Cure, Buyer shall have forty-five (45) days to notify Seller of such failure. Within forty-five (45) days of the end of the GEP Cure period, Buyer shall provide Notice to Seller in writing of the amount of the GEP Damages, if any, which Seller shall pay within sixty (60) days of receipt of the Notice. If Seller does not pay the GEP Damages within the sixty (60) day time period, Buyer may, at its option, declare an Event of Default pursuant to Section 5.1(b)(vi)(A). If Buyer does not timely (1) notify Seller of the GEP Failure, (2) notify Seller of failure to achieve the GEP Cure, (3) notify Seller of the GEP Damages payable, or (4) declare an Event of Default pursuant to Section 5.1(b)(vi)(A), if Seller has failed to pay the GEP Damages, then Buyer shall be deemed to have waived its right to declare an Event of Default based on Seller’s failure with respect to the Performance Measurement Period which served as the basis for the notice of GEP Failure, GEP Damages, or default, subject to the limitations set forth in Section 5.1(b)(vi)(B).

(f) Contract Capacity. Subject to any adjustment pursuant to Section 3.9(c)(vi), the generation capability designated for the Project shall be one hundred fifty (150) MW gross, without adjustment for auxiliary loads, station electrical uses, and Electrical Losses (the “Contract Capacity”). Throughout the Delivery Term, Seller shall sell and deliver all Product produced by the Project solely to Buyer, except that (i) Seller shall have the right to sell the Delivered Energy to a third party during periods in which Buyer is in breach of this Agreement and Seller has sent Notice of such breach to Buyer

in accordance with Section 5.2 and (ii) Seller shall have the right to sell the Non-Renewable Product to a third party without restriction, and in no event shall Buyer be obligated to receive or pay for, in any hour, any Delivered Energy that exceeds one hundred five percent (105%) the Contract Capacity per hour.

(g) Project.

(i) All Product provided by Seller pursuant to this Agreement shall be supplied from the Project only. Subject to Section 3.9(c)(vi), Seller shall not make any alteration or modification to the Project which results in a change to the Contract Capacity or the anticipated output of the Project without Buyer's prior written consent. Notwithstanding the foregoing, Buyer's prior written consent shall not be required for maintenance, repair, or replacement of facilities or equipment for the Project in accordance with Good Electric Operation Practice, but Seller shall provide Buyer with Notice of any material maintenance, repair or replacement of facilities or equipment for the Project. The Project is further described in Appendix IV.

(ii) Notwithstanding anything to the contrary in this Agreement,

(A) if the installed capacity of the Project as of the Commercial Operation Date is less than the Original Contract Capacity pursuant to Section 3.9(c)(vi), Seller shall revise the Site on the Commercial Operation Date in connection with Seller's Commercial Operation Certification Procedure to reflect the Site required to support the Original Contract Capacity by providing a revised Appendix IV; and

(B) within thirty (30) days after the earlier of (I) delivery of a certification from a Licensed Professional Engineer that the installed Contract Capacity of the Project is equal to or greater than the Original Contract Capacity or (II) the sixth anniversary of the Commercial Operation Date, Seller shall revise the Site to reflect the Site required to support the Original Contract Capacity or the Contract Capacity as of the sixth anniversary of the Commercial Operation Date, as applicable, by providing Notice to Buyer, including a revised Appendix IV;

provided that in connection with any of the revisions of the Site in subsections (I) or (II) above, Seller shall provide Buyer with an officer's certificate of Seller dated as of the date of the revised Site and revised Appendix IV signed by a duly authorized officer certifying that (1) Appendix IV reflects the Site as required to support the Original Contract Capacity or the Contract Capacity as of the sixth anniversary of the Commercial Operation Date, as applicable, and (2) the turbine design layout in the revised Site was selected to maximize the financial returns on the Project and without regard to other projects of Seller or its Affiliates.

(iii) Seller shall not relinquish its possession or demonstrable exclusive right to control the Project without the prior written consent of Buyer, except under circumstances provided in Section 10.6. Seller shall be deemed to have relinquished possession of the Project if after the Commercial Operation Date Seller has ceased work on the Project and ceased production and delivery of Product for a consecutive ninety (90) day period and such cessation is not a result of a Force Majeure event or action or inaction of Buyer.

(iv) Prior to the date of Seller's financial closing of its construction financing for the Project as set forth as a Milestone on Appendix III, Seller shall revise the Site to reflect the Site required to support the Original Contract Capacity by providing Notice to Buyer, including a revised Appendix IV. In connection with the revisions of the Site pursuant to this Section 3.1(g)(iv), Seller shall provide Buyer with an officer's certificate of Seller dated as of the date of the revised Site and revised Appendix IV signed by a duly authorized officer certifying that (1) Appendix IV reflects the Site as

required to support the Original Contract Capacity, and (2) the turbine design layout in the revised Site was selected, in a commercially reasonable manner given project-specific regulatory, financing, and other development risks, to maximize the aggregate financial returns on both the Project and the project developed pursuant to the power purchase agreement between Buyer and Blackspring Ridge IB Wind Project LP and without regard to other projects of Seller or its Affiliates.

(h) Interconnection Facilities.

(i) Seller Obligations. Seller shall (A) arrange and pay independently for any and all necessary costs under any interconnection agreement with the Transmission Provider; (B) cause the Seller's Interconnection Facilities, including metering facilities to be maintained; (C) comply with the procedures set forth in the LGIP and applicable agreements or procedures provided under the LGIP in order to obtain the applicable Electric System Upgrades and (D) use commercially reasonable efforts to obtain Electric System Upgrades, as needed, in order to ensure the safe and reliable delivery of Energy from the Project to the Delivery Point and receipt of Energy at and from the Delivery Point, in amounts up to and including quantities that can be produced utilizing all of the Contract Capacity of the Project during the times at which such delivery and receipt is anticipated under this Agreement.

(ii) Coordination with Buyer. Seller shall (A) provide to Buyer copies of all material correspondence related to the obligations in Section 3.1(h)(i)(B), (C), and (D); and (B) provide Buyer with written reports of the status of the LGIA and Electric System Upgrades, if applicable, on a monthly basis. The foregoing shall not preclude Seller from executing an LGIA that it reasonably determines allows it to comply with its obligations under this Agreement and applicable Law.

(i) Performance Excuses.

(i) Seller Excuses. Seller shall be excused from achieving the Guaranteed Energy Production for the applicable time period during Seller Excuse Hours. The performance of Seller to receive or pay for the Non-Renewable Product shall be excused only (A) by Buyer's failure to perform, or (B) during periods when Buyer's performance to receive or pay for the Product is excused pursuant to Section 3.1(i)(ii) below.

(ii) Buyer Excuses. The performance of Buyer to receive or pay for the Product shall be excused only (A) during periods of Force Majeure that prevent Seller from delivering Product to Buyer at the Delivery Point or prevent Buyer from receiving Product from Seller at the Delivery Point, (B) by Seller's failure to perform, or (C) during Curtailment Periods.

(iii) No Excuse. Except for a failure or curtailment resulting from a Force Majeure or during a Curtailment Period, the failure of electric transmission service shall not excuse performance with respect to either Party for the delivery or receipt of Energy to be provided under this Agreement.

(j) Greenhouse Gas Emissions Reporting.

(i) During the Term, Seller acknowledges that a Governmental Authority may require Buyer to take certain actions with respect to greenhouse gas emissions attributable to the generation of Energy, including, but not limited to, reporting, registering or tracking such emissions. Within a reasonable period of time following Buyer's written request, Seller agrees to provide any and all documents or information with respect to generation by the Project reasonably necessary to permit Buyer to comply with such requirements, if any.

(ii) Notwithstanding Section 3.1(j)(i), if the Product or Non-Renewable Product is imputed a greenhouse gas intensity greater than zero pursuant to applicable Laws, or is otherwise subject to an emissions compliance obligation pursuant to applicable Laws, Seller shall be responsible for any and all costs and expenses necessary for (A) the Product to comply with Laws applicable to Seller or the Project prior to the Delivery Point and (B) the Non-Renewable Product to comply with Laws applicable to Seller or the Project at and from the Delivery Point, including sufficient carbon or emissions allowances, credits, permits or other compliance units or instruments; provided, however, that to the extent a change in Law occurs after the Execution Date, then Seller shall be deemed to have met its obligations to Buyer pursuant to this Section 3.1(j)(ii)(A) if Seller has used commercially reasonable efforts to comply with such change in Law.

(k) WREGIS. Seller shall, subject to Section 3.1(m), take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Delivered Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall comply with all Laws, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates. In addition:

(i) Prior to the Initial Energy Delivery Date, Seller shall register the Project with WREGIS. During the Delivery Term, Seller shall establish and maintain an account with WREGIS ("Seller's WREGIS Account"). Seller shall transfer the WREGIS Certificates using "Forward Certificate Transfers" (as described in the WREGIS Operating Rules) from Seller's WREGIS Account to the WREGIS account(s) of Buyer ("Buyer's WREGIS Account"). Subject to Section 3.1(m), Seller shall be responsible for all expenses associated with registering the Project with WREGIS, establishing and maintaining Seller's WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller's WREGIS Account to Buyer's WREGIS Account.

(ii) Seller shall designate in Seller's WREGIS Account that Forward Certificate Transfers are to be issued in respect to the Product and shall use commercially reasonable efforts to cause WREGIS to implement WREGIS Forward Certificate Transfers on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

(iii) Seller shall monitor Seller's WREGIS Account to confirm that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month as evidenced by the Project's meter data and Seller shall use commercially reasonable efforts to ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month as evidenced by the Project's meter data.

(iv) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Article 6, Buyer shall make an invoice payment for a given month in accordance with Article 6 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 3.1(k). Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Article 6.

(v) A "WREGIS Certificate Deficit" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for

the same calendar month (“Deficient Month”) as determined after WREGIS has completed its reconciliation process and any disputes between Seller and WREGIS have been resolved but no later than two (2) calendar years (or other time period permitted by applicable Law which would allow Buyer to use the WREGIS Certificate for compliance purposes) after generation of the Delivered Energy or one (1) calendar year after the end of the Delivery Term, whichever occurs first. If any WREGIS Certificate Deficit is caused by Seller, or is the result of any action or inaction by Seller, then Seller shall owe to Buyer an amount equal to the product of (A) the WREGIS Certificate Deficit, multiplied by (B) \$36.00 and the Guaranteed Energy Production for the applicable Performance Measurement Period shall be reduced by the amount of Delivered Energy corresponding to the WREGIS Certificate Deficit in the Deficient Month. Any amount owed by Seller to Buyer because of a WREGIS Certificate Deficit shall be made as an adjustment to Seller’s next monthly invoice to Buyer in accordance with Article 6, and Buyer shall net such amount against Buyer’s subsequent payment(s) to Seller pursuant to Article 6.

(vi) Without limiting Seller’s obligations under this Section 3.1(k), if a WREGIS Certificate Deficit is caused solely by an error or omission of WREGIS, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(vii) If WREGIS changes the WREGIS Operating Rules after the Execution Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 3.1(k) after the Execution Date, the Parties promptly shall modify this Section 3.1(k) as reasonably required to cause and enable Seller to transfer to Buyer’s WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Delivered Energy purchased by Buyer in the same calendar month.

(viii) Seller warrants that all necessary steps have been taken to allow the renewable energy credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System.

(ix) Seller shall be deemed to have satisfied the warranty in Section 3.1(k)(viii) so long as Seller fulfills its obligations under Sections 3.1(k)(i)-(vii) above.

(l) Obtaining and Maintaining CEC Certification and Verification. Subject to Section 3.1(m), Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification throughout the Term.

(m) External Costs. Seller shall not be required to expend more than an aggregate of Two Hundred Thousand Dollars (\$200,000) on External Costs for the Project in any Contract Year or a total of One Million Six Hundred Fifty Thousand Dollars (\$1,650,000) in the aggregate during the Term (collectively the “External Costs Requirement”). In the event Seller expects its External Costs may exceed the External Cost Requirement, Seller shall provide Notice to Buyer with an estimate of the External Costs Seller expects to incur. Buyer may, but is under no obligation to, within thirty (30) days of the delivery of such Notice with the estimate, provide Seller Notice of Buyer’s agreement to reimburse Seller for such costs, and thereafter Seller shall incur the External Costs in excess of the External Cost Requirement and invoice Buyer for such External Costs pursuant to Section 6.1. Seller shall have no obligation, and shall be free from liability under this Agreement if it fails, to take any action that causes, or would cause, Seller to incur External Costs in excess of the External Costs Obligation unless and until Seller receives Notice from Buyer within the thirty (30) day time period set forth above pursuant to which Buyer agrees to reimburse Seller for any External Costs incurred in excess of the External Costs Requirement.

3.2 Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.

3.3 [Intentionally Omitted]

3.4 Transmission and Forecasting.

(a) Transmission.

As of the Test Period and during the Delivery Term:

(i) Seller shall arrange and pay for any and all necessary electrical interconnection, distribution and/or transmission services (and any regulatory approvals required for the foregoing), sufficient to allow (A) Seller to deliver the Product to the Delivery Point for sale, (B) Buyer to deliver the Non-Renewable Product at the Delivery Point for sale and (C) Seller to receive and purchase the Non-Renewable Product at and from the Delivery Point, pursuant to the terms of this Agreement.

(ii) Seller shall bear all risks and costs associated with such transmission service, including, but not limited to, any transmission outages, congestion or curtailment to and at the Delivery Point in the case of the Product and at and from the Delivery Point in the case of the Non-Renewable Product.

(iii) Seller shall fulfill all contractual, metering and applicable interconnection requirements, including those set forth in the Transmission Provider's applicable tariffs, standards and requirements so as to be able to deliver Energy to the Delivery Point and to receive and purchase Energy at and from the Delivery Point.

(b) Delivered Energy Forecasting. (i) Ten (10) Business Days before the beginning of the Test Period, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the daily Delivered Energy for each day of the following month and (ii) thirty (30) days before the beginning of each Contract Year, Seller shall provide to Buyer a non-binding forecast of the monthly Delivered Energy for each month of the following Contract Year, in a form reasonably acceptable to Buyer.

3.5 Standards of Care.

(a) General Operation. Seller shall comply with all applicable requirements of Law, the AESO, NERC and WECC relating to the Project (including those related to construction, ownership and/or operation of the Project).

(b) AESO and WECC Standards. Seller shall perform all generation, scheduling and transmission services in compliance with all applicable (i) operating policies, criteria, rules, guidelines, tariffs and protocols of the AESO, (ii) WECC scheduling practices and (iii) Good Electric Operation Practices.

(c) Reliability Standard. Seller agrees to abide by all applicable requirements regarding interconnection of the Project, including the requirements of the interconnected Transmission Provider.

3.6 Metering. All output from the Project per the terms of this Agreement must be metered through a single AESO revenue meter and that meter must be dedicated exclusively to the Project described herein. All Product purchased under this Agreement must be associated with Delivered Energy measured by the Project's revenue meter to be eligible for payment under this Agreement. Seller shall bear all costs relating to all metering equipment installed to accommodate the Project. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from the Transmission Provider the AESO meter data applicable to the Project and all inspection, testing and calibration data and reports. Seller shall grant Buyer the right to retrieve the meter reads directly from the AESO meter(s) at the Project site. If the Transmission Provider makes any adjustment to any AESO meter data for a given time period, Seller agrees that it shall submit revised monthly invoices to reflect such adjustments, if necessary, pursuant to Section 6.2, covering the entire applicable time period in order to conform fully such adjustments to the meter data. Seller shall submit any such revised invoice no later than thirty (30) days from the date on which the Transmission Provider provides to Seller such binding adjustment to the meter data.

3.7 Outage Notification.

(a) AESO Approval of Outage(s). Seller is responsible for securing AESO approvals for Project outages, if necessary, including securing changes in its outage schedules when AESO disapproves Seller's schedules or cancels previously approved outages. Seller shall communicate any AESO-required changes to Buyer in a timely manner, in accordance with the provisions set forth in Appendix VIII.

(b) Planned Outages. Seller shall notify Buyer of its proposed Planned Outage schedule for the Project for the following calendar year by complying with the Annual Forecast of Available Capacity procedure set forth in Appendix VIII no later than August 1st of each year during the Delivery Term. Seller shall also confirm or provide updates to Buyer regarding the Planned Outage no later than fourteen (14) days prior to each Planned Outage. Seller shall contact Buyer with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Good Electric Operation Practices. Seller shall not substitute Energy from any other source for the output of the Project during a Planned Outage. After any Planned Outage has been scheduled, at any time up to the commencement of work for the Planned Outage, Buyer may request that Seller change its outage schedule. Seller shall notify Buyer of any incremental costs or foregone revenues associated with such schedule change and an alternative schedule change, if any, that would entail lower incremental costs or foregone revenues. If Buyer agrees to pay the incremental costs or foregone revenues, Seller shall use commercially reasonable efforts to accommodate Buyer's request.

(c) Prolonged Outages. Seller shall notify Buyer of a Prolonged Outage as soon as practicable in accordance with the provisions in Appendix VIII. Seller shall notify Buyer in writing when the Project is again capable of meeting its Contract Quantity on a *pro rata* basis using the same notification procedure as used with initial notice. Seller shall not substitute Energy from any other source for the output of the Project during a Prolonged Outage.

(d) Force Majeure. Within forty-eight (48) hours of commencement of the effect of an event of Force Majeure, the non-performing Party shall provide the other Party with oral notice of the event of Force Majeure, and within two (2) weeks of the commencement of the effect of an event of Force

Majeure, the non-performing Party shall provide the other Party with Notice in the form of a letter describing in detail the particulars of the occurrence giving rise to the Force Majeure claim. Failure to provide timely Notice constitutes a waiver of a Force Majeure claim. Seller shall not substitute Products from any other source for the output of the Project during an outage resulting from Force Majeure. The suspension of performance due to a claim of Force Majeure must be of no greater scope and of no longer duration than is required by the Force Majeure. Buyer shall not be required to make any payments for any Products that Seller fails to deliver or provide as a result of Force Majeure during the term of a Force Majeure.

(e) Communications with AESO. Seller shall be responsible for all outage coordination communications with AESO outage coordination personnel and AESO operations management, including submission to AESO, if necessary, of updates of outage plans, submission of clearance requests, and all other outage-related communications. Seller shall timely provide Buyer with copies of all outage plans and clearance requests submitted to AESO, and shall promptly inform Buyer of all clearance approvals and disapprovals and other communications with AESO pertaining to the status of planned or in-progress Project outages. Seller shall maintain a summary of clearance information associated with all current and planned maintenance, including information on then current outages, and make this available to Buyer. If either Party receives information through AESO regarding maintenance that will directly affect the Project, it will provide this information promptly to the other Party.

(f) Changes to Operating Procedures. Notwithstanding any language to the contrary contained in Sections 3.4, 3.6, 3.7 or 3.8 or Appendix VIII, Seller understands and acknowledges that the specified transmission mechanisms, metering requirements, Outage Notification Procedures and operating procedures described therein are subject to change by Buyer from time to time and, upon receipt of Notice of any such changes, Seller agrees to use commercially reasonable efforts to implement any such changes as reasonably deemed necessary by Buyer; provided that such change does not result in an increase cost of performance to Seller hereunder other than *de minimis* amounts.

3.8 Operations Logs and Access Rights.

(a) Operations Logs. Seller shall maintain a complete and accurate log of all material operations and maintenance information on a daily basis. Such log shall include, but not be limited to, information on power production, efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices. Seller shall provide this information electronically to Buyer within thirty (30) days of Buyer's request.

(b) Access Rights. Buyer, its authorized agents, employees and inspectors shall have the right of ingress to and egress from the Project on reasonable advance notice during normal business hours and for any purposes reasonably connected with this Agreement or the exercise of any and all rights secured to Buyer by Law. Buyer shall make reasonable efforts to coordinate its emergency activities with the Safety and Security Departments, if any, of the Project operator and shall at all times comply with Seller's safety and security requirements when at the Site. Seller shall keep Buyer advised of current procedures for contacting the Project operator's Safety and Security Departments.

3.9 New Generation Facility.

- (a) Seller, at no cost to Buyer, shall be responsible to:
- (i) Design and construct the Project.

(ii) Perform all studies, pay all fees, obtain all necessary approvals and execute all necessary agreements with the Transmission Provider for the Interconnection Facilities to deliver the Product.

(iii) Acquire all permits and other approvals necessary for the construction, operation, and maintenance of the Project.

(iv) Complete any environmental impact studies necessary for the construction, operation, and maintenance of the Project.

(v) At Buyer's request, provide to Buyer Seller's electrical specifications and design drawings pertaining to the Project for Buyer's review and comment (but not approval) prior to finalizing design of the Project and before beginning construction work based on such specifications and drawings. Seller shall provide to Buyer reasonable advance Notice of any changes in the Project and provide to Buyer specifications and design drawings of any such changes.

(vi) Within fifteen (15) days after the close of each month from the first month following the Execution Date until the Commercial Operation Date, provide to Buyer a Monthly Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such monthly reports and discuss Seller's construction progress. The Monthly Progress Report shall indicate whether Seller has met or is on target to meet the Milestones.

(vii) Provide to Buyer a copy of the Final Output Report, and any updates thereafter for the time period beginning on the Effective Date and ending on the last day of the first Contract Year.

(b) Buyer shall have the right, but not the obligation, to:

(i) Notify Seller in writing of the results of the review within thirty (30) days of Buyer's receipt of all specifications for the Project, including a description of any flaws perceived by Buyer in the design.

(ii) Inspect the Project's construction site or on-site Seller data and information pertaining to the Project during business hours upon reasonable notice.

(c) Construction Milestones.

(i) Milestones. The Parties agree time is of the essence in regards to the Agreement. As such, the Parties also agree certain Milestones must be achieved in a timely fashion or Buyer will suffer damages. Seller shall provide Buyer with any requested documentation to support the achievement of Milestones within ten (10) Business Days of receipt of such request by Seller.

(ii) Remedial Action Plan. If Seller misses three (3) or more Milestones, other than a Guaranteed Project Milestone, or misses any one (1) by more than ninety (90) days, except as the result of Force Majeure, Seller shall submit to Buyer, within ten (10) Business Days of such missed Milestone completion date, a remedial action plan ("Remedial Action Plan"), which is outlined in the Monthly Progress Report and requires Seller to provide a detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date; provided, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to meet any subsequent Milestones and the Guaranteed Commercial Operation Date. If the missed Milestone(s) is a Guaranteed Project Milestone, then subsection (iv) below shall apply. If the

missed Milestone(s) is not a Guaranteed Project Milestone, and so long as Seller complies with its obligations under Sections 3.9(c)(i) and (ii), then such missed Milestone shall not be considered a Seller Event of Default.

(iii) Guaranteed Project Milestones. “Guaranteed Project Milestones” are as follows:

(A) The Construction Start Date shall occur no later than July 31, 2012 (the “Guaranteed Construction Start Date”); provided that the Guaranteed Construction Start Date may be extended on a day for day basis for not more than:

(I) three hundred sixty (360) days if Seller has used commercially reasonable efforts (including but not limited to Seller’s timely filing of required documents and payment of all applicable fees) to obtain permits necessary for the construction and operation of the Project, but is unable to obtain such permits due to delays beyond Seller’s reasonable control (“Permitting Delay”);

(II) five hundred forty (540) days if Seller has used commercially reasonable efforts (including but not limited to Seller’s timely filing of required documents and payment of all applicable fees) to have the Project physically interconnected to the Transmission Provider's transmission system and to complete all Electric System Upgrades needed, if any, in order to interconnect the Project to the Transmission Provider's transmission system on a timely basis to achieve the Guaranteed Project Milestones, but fails to secure any necessary commitments from the Transmission Provider for such timely interconnection and upgrades due to delays beyond Seller’s reasonable control (“Transmission Delay”);

(III) three hundred sixty (360) days in the event of Force Majeure (“Force Majeure Construction Extension”) without regard to Transmission Delay or Permitting Delay; provided that Seller works diligently to resolve the effect of the Force Majeure and provides evidence of its efforts promptly to Buyer upon Buyer’s written request; or

(IV) five hundred forty (540) days if Seller has used commercially reasonable efforts to obtain construction or permanent financing for the Project on terms reasonably acceptable to Seller, but is unable to obtain such financing due to market conditions or other factors beyond Seller's reasonable control and has provided to Buyer (1) documentation of its efforts and inability to obtain such financing, and (2) an officer’s certificate for Seller and signed by a duly authorized officer certifying that Seller used commercially reasonable efforts to obtain financing on terms reasonably acceptable to Seller but was unable to secure such financing due to market conditions or other factors beyond Seller’s reasonable control, each dated not more than thirty (30) days before the lapse of 540 days from the Guaranteed Construction Start Date (“Financing Delay”).

(B) Seller shall have demonstrated Commercial Operation per the terms of Appendix VI no later than December 31, 2012, (the “Guaranteed Commercial Operation Date”), provided that (I) the Guaranteed Commercial Operation Date may be extended on a day for day basis equal to any extension claimed by Seller pursuant to and in accordance with Section 3.9(c)(iii)(A), (II) the Guaranteed Commercial Operation Date may be extended further on a day for day basis for Force Majeure occurring after the Construction Start Date provided that the total number of such extension days shall not exceed three hundred sixty (360) days, (III) the Guaranteed Commercial Operation Date may be extended on a day for day basis for up to five hundred forty (540) days if Seller has used commercially reasonable efforts to obtain the physical interconnection of the Project as such interconnection is provided for in the commitments with the Transmission Provider for interconnection and upgrades secured under

Section 3.9(c)(iii)(A)(II) above by the date that is one hundred twenty (120) days prior to the Guaranteed Commercial Operation Date, but is unable to obtain such physical interconnection as provided in the commitments with the Transmission Provider due to delays beyond the reasonable control of Seller or any third party under Seller's control ("Interconnection Delay"); provided that the number of days for extension due to Interconnection Delay shall be reduced by the number of days Seller extended the Guaranteed Construction Start Date for Transmission Delay pursuant to 3.9(c)(iii)(A)(II), and (IV) the Guaranteed Commercial Operation Date will be extended day for day for every day of Daily Delay Damages paid by Seller for failure to meet the Guaranteed Construction Start Date.

(C) Notwithstanding the foregoing,

(i) if Seller claims a Force Majeure Construction Extension, Permitting Delay, Financing Delay and/or Transmission Delay, such extensions cannot cumulatively extend the Guaranteed Construction Start Date by more than a total of five hundred forty (540) days (subject to the limitation for Interconnection Delay set forth in subsection 3.9(c)(iii)(B)(III) above) and all such Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days; and

(ii) if Seller claims Force Majeure occurring after the Construction Start Date and/or Interconnection Delay, such extensions cannot cumulatively extend the Guaranteed Commercial Operation Date by more than a total of five hundred forty (540) days and all such Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days; provided however, that in no event can the Permitted Extensions cumulatively extend the Guaranteed Project Milestones by more than an aggregate total of nine hundred (900) days and all Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days.

(D) If Seller claims a Permitted Extension, Seller shall provide Buyer with sixty (60) days Notice prior to original date of the applicable Guaranteed Project Milestone, which Notice must clearly identify the Permitted Extension being claimed and include information necessary for Buyer to verify the length and qualification of the extension; provided that if sixty (60) days is impracticable or impossible, Seller shall provide Notice as soon as possible after the occurrence of the event requiring a Permitted Extension.

(iv) Cure Period and Delay Damages.

(A) Seller shall cause the Project to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date; provided, however, that the Commercial Operation Date shall not occur more than six hundred forty (640) days prior to the Guaranteed Commercial Operation Date. If (I) the Commercial Operation Date occurs after the Guaranteed Commercial Operation Date after giving effect to Permitted Extensions or (II) the Construction Start Date occurs after the Guaranteed Construction Start Date after giving effect to Permitted Extensions, then Buyer shall be entitled to draw upon the Project Development Security for liquidated damages equal to Daily Delay Damages for each day or portion of a day that (1) the Commercial Operation Date occurs after the Guaranteed Commercial Operation Date after giving effect to Permitted Extensions for up to a total of sixty (60) days ("Project Cure Period"); or (2) the Construction Start Date occurs after the Guaranteed Construction Start Date after giving effect to Permitted Extensions for up to a total of sixty (60) days ("Construction Cure Period"). The Parties agree that Buyer's receipt of Daily Delay Damages shall (w) extend the Guaranteed Commercial Operation Date on a day-for-day basis for each day of Daily Delay Damages paid during the Construction Cure Period, (x) not be construed as Buyer's declaration that an Event of Default has occurred under any provision of Section 5.1, (y) provide Buyer's sole and exclusive remedy only for Seller's failure to meet the applicable Guaranteed Project Milestone during the

Project Cure Period and the Construction Cure Period, respectively, and (z) not limit Buyer's right to receive a Termination Payment or Damage Payment, as applicable, upon exercise of Buyer's default right pursuant to Section 5.2.

(B) Each Party agrees and acknowledges that (I) the damages that Buyer would incur due to Seller's delay in achieving either of the Guaranteed Project Milestones would be difficult or impossible to predict with certainty, and (II) the Daily Delay Damages are an appropriate approximation of such damages. Seller shall be entitled to the return of all Daily Delay Damages collected by Buyer as a result of Seller's failure to meet the Guaranteed Construction Start Date only if Seller meets the Guaranteed Commercial Operation Date (as may be extended by Permitted Extensions) as provided further in Section 8.4(c) of this Agreement. For sake of certainty, Buyer shall retain all Daily Delay Damages drawn as a result of Seller's failure to meet the Guaranteed Commercial Operation Date and the Guaranteed Construction Start Date (both as may be extended by Permitted Extensions), if Seller fails to meet the Guaranteed Commercial Operation Date (as may be extended by Permitted Extensions).

(v) Seller Termination Rights.

(A) If Buyer:

(I) (1) draws upon the Project Development Security for Daily Delay Damages or is entitled to draw upon the Project Development Security for Daily Delay Damages, pursuant to Section 3.9(c)(iv)(A); or

(2) collects the Damage Payment, whether by drawing upon the Project Development Security or otherwise, pursuant to Sections 5.2(c)(i) and 5.8 due to a Seller Event of Default under Section 5.1(b)(ii) or Section 5.1(b)(iii); and

(II) Buyer has not provided Seller with a Notice of an Early Termination Date with respect to an Event of Default under Section 5.1(b)(ii) or Section 5.1(b)(iii) within two (2) calendar years after (x) the date that is sixty (60) days after the Guaranteed Commercial Operation Date, or (y) the payment or collection of the Damage Payment, whichever occurs first ("Guaranteed Milestone Termination Period");

then Seller may terminate this Agreement after the Guaranteed Milestone Termination Period, effective upon Notice to Buyer, provided that Seller shall remain liable, subject to the limitation of liability in Section 8.4, if applicable, for any unpaid portion of the Termination Payment or Damage Payment due under this Agreement, if any, as of the date of such termination.

(vi) Partial Completion Damages.

(A) Seller may achieve the Commercial Operation of the Project if the installed capacity of the Project as of the Commercial Operation Date is at least eighty percent (80%) of the Original Contract Capacity; provided that the sum of (x) and (y), as of the Commercial Operation Date, does not exceed fifty (50) MW, where (x) is the difference between the Original Contract Capacity and the installed capacity of the Project as of the Commercial Operation Date, and (y) is the sum, for each of the power purchase agreements between Buyer and Halkirk I Wind Project LP and Buyer and Blackspring Ridge IB Wind Project LP with respect to which the applicable generating facility has achieved commercial operation, of the difference between the original capacity that the seller in each such agreement was obligated to install under such power purchase agreement and the installed capacity that has achieved commercial operation under each such power purchase agreement. If the installed capacity

of the Project as of the Commercial Operation Date is less than the Original Contract Capacity, then Seller shall pay liquidated damages to Buyer equal to the product of:

(I) one (1), minus the Reduction Ratio (where the "Reduction Ratio" is equal to the ratio of the installed capacity, in kW, to the Original Contract Capacity, in kW); multiplied by

(II) the Project Development Security then held by Buyer, (the product of (I) and (II) shall be defined as "Partial Completion Damages").

Payment of the Partial Completion Damages by Seller shall be Buyer's sole and exclusive remedy for any failure by Seller to install the full Original Contract Capacity by the Commercial Operation Date. In addition, upon payment of the Partial Completion Damages, the Contract Capacity, Contract Quantity, Project Development Security, and Delivery Term Security shall each be reduced to equal the product of (x) the applicable value prior to the Commercial Operation Date, multiplied by (y) the Reduction Ratio.

(B) For each MW, or portion thereof, of the Original Contract Capacity that is not installed as of the Commercial Operation Date which cannot exceed thirty (30) MW for the Project and the sum of (x) and (y) calculated according to Section 3.9(c)(vi)(A) does not exceed fifty (50) MW ("Uninstalled Capacity"), Seller shall have the right, at any time prior to the third (3rd) anniversary of the Commercial Operation Date and in its sole discretion, to subsequently install all or any portion of the Uninstalled Capacity and sell the corresponding amount of Product from the Uninstalled Capacity to Buyer under this Agreement by providing Notice to Buyer at least thirty (30) days prior to the commencement of deliveries from the Uninstalled Capacity ("Increased Capacity Notice"). If Seller elects to sell Product from the Uninstalled Capacity to Buyer under this Agreement, then Buyer shall refund to Seller within thirty (30) days after the commencement of deliveries from the Uninstalled Capacity an amount equal to the product of (a) the Partial Completion Damages paid by Seller, and (b) the ratio of the Uninstalled Capacity subsequently installed by Seller to the total Uninstalled Capacity.

(C) If Seller subsequently installs all or any portion of the Uninstalled Capacity after the third (3rd) anniversary of the Commercial Operation Date, but prior to the sixth (6th) anniversary of the Commercial Operation Date, then neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Uninstalled Capacity to any third party, unless Seller first offers, in writing, to sell to Buyer such Products from the Uninstalled Capacity on the terms and conditions proposed by Seller at such time, and Buyer either accepts or rejects such offer in accordance with the provisions herein.

(I) If Buyer accepts Seller's offer, Buyer shall provide Notice to Seller within sixty (60) days of receipt of the offer, subject to CPUC Approval, and then the Parties shall have not more than sixty (60) days from the date of such Notice to amend this Agreement to include the increased capacity, subject to CPUC Approval, if necessary. In addition, Buyer shall refund to Seller within thirty (30) days after the commencement of deliveries from the Uninstalled Capacity an amount equal to the product of (a) the Partial Completion Damages paid by Seller, and (b) the ratio of the Uninstalled Capacity subsequently installed by Seller to the total Uninstalled Capacity.

(II) If Buyer rejects or fails to accept Seller's offer within thirty (30) days of receipt of such offer, Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Uninstalled Capacity to any third party.

(vii) Buyer Termination Rights. If (A) the construction start date (as defined in the power purchase agreement between Buyer and Halkirk I Wind Project LP) applicable to the generating facility developed pursuant to the power purchase agreement between Buyer and Halkirk I Wind Project LP has not occurred on or before the date that is twelve (12) months after the date on which CPUC Approval occurs under such power purchase agreement, and (B) the Construction Start Date under this Agreement has not occurred on or before the date that is twelve (12) months after the date on which CPUC Approval occurs for this Agreement, then Buyer shall have the right to terminate either or both of this Agreement and the power purchase agreement between Buyer and Blackspring Ridge IB Wind Project LP, effective upon receipt of Notice by Seller, which Notice must be received by Seller on or before the date that is thirteen (13) months after the date on which CPUC Approval occurs under the applicable power purchase agreement(s) Buyer seeks to terminate. Upon receipt of Buyer’s Notice to Seller terminating either or both of this Agreement and the power purchase agreement between Buyer and Blackspring Ridge IB Wind Project LP pursuant to this Section 3.9(c)(vii), neither Party shall have any further obligation or liability to the other, including for a Termination Payment, by reason of such termination, and Buyer shall promptly return to Seller the Project Development Security then held by Buyer pursuant to Sections 8.4(a) through (d) of the terminated power purchase agreement(s); provided that Seller shall remain liable, subject to the limitation of liability in Section 8.4, if applicable, for any unpaid portion of the Damage Payment due under the terminated power purchase agreement(s), if any, as of the date of such termination.

ARTICLE FOUR: COMPENSATION; MONTHLY PAYMENTS

4.1 Contract Price and Non-Renewable Product Price. The Contract Price for each MWh of Product and the Non-Renewable Product Price for each MWh of Non-Renewable Product, as measured by Delivered Energy during the Test Period and in each Contract Year, shall be as follows:

Contract Year	Transaction Type	Contract Price
1-20	Buyer Purchase/Seller Sale of Product	AESO Pool Price (C\$/MWh) + US\$36.00/MWh

Contract Year	Transaction Type	Non-Renewable Product Price
1-20	Buyer Sale/Seller Purchase of Non-Renewable Product	AESO Pool Price (C\$/MWh)

4.2 Monthly Payment. For each month, Buyer shall pay Seller for Delivered Energy (“Monthly Payment”) the amounts equal to the difference between (a) the product of the Contract Price multiplied by the Delivered Energy in each hour, and (b) the product of the Non-Renewable Product Price multiplied by the Delivered Energy in the same hour:

$$\text{Monthly Payment} = \sum_{n=1}^n (\text{Contract Price } \$ * \text{Delivered Energy MWh}_n) - (\text{Non-Renewable Product Price } \$ * \text{Delivered Energy MWh}_n)$$

4.3 Excess Delivered Energy. In any Contract Year, if Seller delivers Delivered Energy in excess of one hundred twenty percent (120%) of the annual Contract Quantity amount, the Contract Price for such Delivered Energy in excess of one hundred twenty percent (120%) of Contract Quantity shall be adjusted to be equal to the sum of (a) AESO Pool Price (C\$/MWh), plus (b) seventy-five percent (75%) of US\$36.00/MWh.

ARTICLE FIVE: EVENTS OF DEFAULT; PERFORMANCE REQUIREMENT; REMEDIES

5.1 Events of Default. An "Event of Default" shall mean,

(a) with respect to a Party that is subject to the Event of Default, the occurrence of any of the following:

(i) the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written Notice is received by the Party failing to make such payment;

(ii) any representation or warranty made by such Party herein (A) is false or misleading in any material respect when made or (B) with respect to Sections 10.2(b) and 10.2(c), becomes false or misleading in any material respect during the Delivery Term, and such Party does not fully mitigate the adverse consequences of such false or misleading representation or warranty to the other Party within thirty (30) days after Notice thereof; provided that, if a change in Law occurs after the Execution Date that causes the representation and warranty made by Seller in Sections 10.2(b) or 10.2(c) to be materially false or misleading, such breach of the representation or warranty in Section 10.2(b) or 10.2(c) shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in Law during the Delivery Term in order to make the representation and warranty no longer false or misleading and provided further (I) that "commercially reasonable efforts of Seller" for purposes of Sections 10.2(b) and 10.2(c) are defined in Section 3.1(m) and (II) if the representations and warranties made by Seller in Sections 10.2(b) and 10.2(c) are false or misleading in any material respect due in whole or in material part to the failure of Buyer to qualify the Project's output delivered to Buyer under the requirements of the California Renewables Portfolio Standard, such breach of the representations or warranties in Sections 10.2(b) and 10.2(c) shall not be an Event of Default;

(iii) the failure in any material respect to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default or except to the extent that an express remedy is provided in this Agreement), if such failure is not remedied within thirty (30) days after Notice (provided that if the remedy may not be effected within such thirty (30) day period and the non-performing party uses reasonable efforts to effect such remedy within a total of ninety (90) days after Notice, then the total cure period shall be ninety (90) days);

(iv) such Party becomes Bankrupt; or

(v) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) if at any time during the Term of this Agreement, Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement Energy that was not generated by the Project;

- (ii) failure by Seller to meet the Guaranteed Construction Start Date as extended by any Permitted Extensions, and after the applicable cure period has expired;
- (iii) failure by Seller to meet the Guaranteed Commercial Operation Date as extended by any Permitted Extensions, and after the applicable cure period has expired;
- (iv) [intentionally omitted]
- (v) failure by Seller to satisfy the creditworthiness/collateral requirements agreed to pursuant to Sections 8.3, 8.4, or 8.5 of this Agreement, if such failure is not remedied within five (5) days after Notice; or
- (vi) failure by Seller to achieve the Guaranteed Energy Production requirement as set forth in Section 3.1(e)(ii) of this Agreement as follows:

(A) after the one (1) year GEP Cure period Seller has failed to cure the GEP Failure and has failed to pay GEP Damages in the time period set forth in Section 3.1(e)(ii); or

(B) if, after any Performance Measurement Period the cumulative GEP Shortfall as to which Seller has paid GEP Damages for all Performance Measurement Periods occurring during the Delivery Term equals or exceeds the Contract Quantity; provided, however, that if all or a portion of a GEP Shortfall during an applicable Performance Measurement Period is principally caused by a non-Force Majeure major equipment malfunction, breakdown, or failure resulting in a reduction of Energy production of the Project by at least sixty percent (60%) of the Contract Quantity in one or both years of the Performance Measurement Period, as applicable, and such malfunction, breakdown, or failure was not caused by Seller and could not have been avoided through the exercise of Good Electric Operation Practice, such failure shall be excluded from the calculation of the cumulative GEP Shortfall as to which Seller has paid GEP Damages for purposes of this subsection.

5.2 Declaration of Early Termination Date. If an Event of Default with respect to a Defaulting Party shall have occurred and is continuing, the other Party (“Non-Defaulting Party”) shall have the following rights:

- (a) send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement (“Early Termination Date”);
- (b) accelerate all amounts owing between the Parties, terminate the Transaction and end the Delivery Term effective as of the Early Termination Date;
- (c) (i) collect the Damage Payment in accordance with Section 5.8 below, if the Event of Default arose under Sections 5.1(b)(ii) or Section 5.1(b)(iii), or (ii) collect the Termination Payment for any other Event of Default;
- (d) withhold any payments due to the Defaulting Party under this Agreement;
- (e) suspend performance;
- (f) exercise its rights pursuant to Section 8.3 to draw upon and retain Performance Assurance; and

(g) exercise any other rights or remedies available at Law or in equity to the extent otherwise permitted under this Agreement.

5.3 Calculation of Termination Payment.

(a) The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. If the Non-Defaulting Party uses the market price for a comparable transaction to determine the Gains or Losses, such price should be determined by using the average of market quotations provided by three (3) or more bona fide unaffiliated market participants. If the number of available quotes is three, then the average of the three quotes shall be deemed to be the market price. Where a quote is in the form of bid and ask prices, the price that is to be used in the averaging is the midpoint between the bid and ask price. The quotes obtained shall be: (a) for a like amount, (b) of the same Product, (c) at the same Delivery Point, (d) for the remaining Delivery Term, and (e) any other commercially reasonable manner.

(b) If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of the Terminated Transaction, the Settlement Amount shall be zero.

(c) The Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount.

5.4 Notice of Payment of Termination Payment. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

5.5 Disputes With Respect to Termination Payment. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article Twelve.

5.6 Rights And Remedies Are Cumulative. The rights and remedies of a Party pursuant to this Article Five shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

5.7 Duty to Mitigate. Buyer and Seller shall each have a duty to mitigate damages pursuant to this Agreement, and each shall use reasonable efforts to minimize any damages it may incur as a result of the other Party's non-performance of this Agreement, including with respect to termination of this Agreement.

5.8 Damage Payment for Failure to Achieve Guaranteed Dates. The Parties agree that the Damage Payment to be paid by Seller for an Event of Default arising under Section 5.1(b)(ii) or Section 5.1(b)(iii) associated with Seller's failure to achieve the Guaranteed Construction Start Date or

Guaranteed Commercial Operation Date shall be considered liquidated damages and not a penalty, in accordance with Section 7.1.

ARTICLE SIX: PAYMENT

6.1 Billing and Payment; Remedies. On or about the tenth (10th) day of each month beginning with the second month of either the Test Period or the first Contract Year, whichever occurs first, and every month thereafter, and continuing through and including the first month following the end of the Delivery Term, Seller shall provide to Buyer (a) records of meter data, including metering and transaction data sufficient to document and verify the generation of Product by the Project for any settlement time interval during the preceding months, and (b) an invoice, in the format specified by Buyer, covering the services provided in the preceding month determined in accordance with Sections 4.2 through 4.3. Each monthly invoice shall separately specify for each hour of the month: (i) the MWh volume of Product delivered by Seller to Buyer measured as Delivered Energy at the Delivery Point, and the Contract Price, (ii) precisely the same MWh volume as set forth in subsection (i) of Non-Renewable Product delivered by Buyer to Seller measured as Delivered Energy at the Delivery Point, and the Non-Renewable Product Price, and (iii) the net amount payable by Buyer to Seller. Buyer shall pay the undisputed amount of such invoices on or before the later of the twenty-fifth (25th) day of each month and fifteen (15) days after receipt of the invoice. If either the invoice date or payment date is not a Business Day, then such invoice or payment shall be provided on the next following Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any undisputed amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Invoices may be sent by facsimile or e-mail.

6.2 Disputes and Adjustments of Invoices. In the event an invoice or portion thereof or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with Notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Subject to Section 3.6, in the event adjustments to payments are required as a result of inaccurate meter(s), Buyer shall use corrected measurements to recompute the amount due from Buyer to Seller for the Product delivered under the Transaction during the period of inaccuracy. The Parties agree to use good faith efforts to resolve the dispute or identify the adjustment as soon as possible. Upon resolution of the dispute or calculation of the adjustment, any required payment shall be made within fifteen (15) days of such resolution along with interest accrued at the Interest Rate from and including the due date, but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment, but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in accordance with this Section 6.2 within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) months after the close of the month during which performance under the Transaction occurred, the right to payment for such performance is waived.

ARTICLE SEVEN: LIMITATIONS

7.1 Limitation of Remedies, Liability and Damages. THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT AS SET FORTH IN SECTION 10.2(b), AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE

PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE.

IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY HEREIN PROVIDED. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGE HEREIN.

UNLESS EXPRESSLY HEREIN PROVIDED, AND SUBJECT TO THE PROVISIONS OF SECTION 10.5 (INDEMNITIES), IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

ARTICLE EIGHT: CREDIT AND COLLATERAL REQUIREMENTS

8.1 Buyer Financial Information. If requested by Seller, Buyer shall deliver to Seller (a) within one hundred twenty (120) days after the end of each fiscal year with respect to PG&E Corporation, a copy of PG&E Corporation's annual report containing audited consolidated financial statements for such fiscal year and (b) within sixty (60) days after the end of each of PG&E Corporation's first three fiscal quarters of each fiscal year, a copy of PG&E Corporation's quarterly report containing unaudited consolidated financial statements for each accounting period prepared in accordance with generally accepted accounting principles. Buyer shall be deemed to have satisfied such delivery requirement if the applicable report is publicly available on www.pge-corp.com or on the SEC EDGAR information retrieval system; provided however, that should such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default, so long as such statements are provided to Seller upon their completion and filing with the SEC.

8.2 Seller Financial Information. If requested by Buyer, Seller shall deliver to Buyer (a) within one hundred twenty (120) days following the end of each fiscal year, a copy of Seller's annual report containing audited consolidated financial statements for such fiscal year, provided that if Seller does not prepare audited financial statements, Seller shall provide unaudited financial statements, and (b)

within sixty (60) days after the end of each of its first three fiscal quarters of each fiscal year, a copy of such Party's quarterly report containing unaudited consolidated financial statements for such fiscal quarter. In all cases the statements shall be for the most recent accounting period and shall be prepared in accordance with generally accepted accounting principles; provided, however, that should any such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as such Party diligently pursues the preparation, certification and delivery of the statements.

8.3 Grant of Security Interest/Remedies. To secure its obligations under this Agreement and to the extent Seller delivers the Project Development Security or Delivery Term Security, as applicable, hereunder, Seller hereby grants to Buyer, as the secured party, a first priority security interest in, and lien on (and right of setoff against), and assignment of, all such Performance Assurance posted with Buyer in the form of cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, Buyer. Seller agrees to take such action as Buyer reasonably requires in order to perfect a first-priority security interest in, and lien on (and right of setoff against), such Performance Assurance and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence and during the continuation of an Event of Default or an Early Termination Date, Buyer, as the Non-Defaulting Party, may do any one or more of the following: (a) exercise any of the rights and remedies of a secured party with respect to all Project Development Security or Delivery Term Security, as applicable, including any such rights and remedies under the Law then in effect; (b) exercise its rights of setoff against any and all property of Seller, as the Defaulting Party, in the possession of the Buyer or Buyer's agent; (c) draw on any outstanding Letter of Credit issued for its benefit; and (d) liquidate all Project Development Security or Delivery Term Security, as applicable, then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller. Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under the Agreement (Seller remaining liable for any amounts owing to Buyer after such application), subject to the Buyer's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

8.4 Performance Assurance.

(a) Project Development Security; Delivery Term Security. Seller agrees to deliver to Buyer collateral to secure its obligations under this Agreement, which Seller shall maintain in full force and effect for the period posted with Buyer, as follows:

(i) Project Development Security pursuant to this Section 8.4(a)(i) in the amount of Seven Million Five Hundred Thousand Dollars (\$7,500,000) and in the form of cash or Letter of Credit from a date not later than ninety (90) days following the date on which all of the Conditions Precedent set forth in Section 2.4 are either satisfied or waived until Seller posts Delivery Term Security pursuant to Section 8.4(a)(ii) below with Buyer; and

(ii) Delivery Term Security pursuant to this Section 8.4(a)(ii) in the amount of Seven Million Five Hundred Thousand Dollars (\$7,500,000) and in the form of cash, Letter of Credit or Guarantee from the Commercial Operation Date until the end of the Term; provided that Seller may elect to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to this Section 8.4(a)(ii).

Notwithstanding anything to the contrary in this Agreement, collection of the Damage Payment or drawing upon the Project Development Security, up to the amount of the Project Development Security, shall be Buyer's sole and exclusive remedy for any breach of this Agreement by Seller or termination of

this Agreement due to a Development Failure or an Event of Default arising under Section 5.1(b)(ii) or Section 5.1(b)(iii); provided, however, that, for the avoidance of doubt, the foregoing shall not limit Buyer's rights and remedies available to Buyer for any Event of Default of Seller that is not arising under Section 5.1(b)(ii) or Section 5.1(b)(iii) or due to a Development Failure, including for (x) failure to maintain the Project Development Security as required under Article Eight, or (y) breach of this Agreement due to willful or intentional (I) sale to a third party of Product that Seller is obligated to deliver to Buyer under this Agreement, or (II) failure to meet the standard of care required pursuant to the definition of Development Failure. Except as provided in the foregoing sentence and in Sections 5.2(c)(i) and 5.8, the amount of Performance Assurance required under this Agreement shall not be deemed a limitation of damages.

(b) Use of Project Development Security. Buyer shall be entitled to draw upon the Project Development Security posted by Seller for Daily Delay Damages until such time as the Project Development Security is exhausted. Buyer shall also be entitled to draw upon the Project Development Security for Partial Completion Damages and any damages arising upon Buyer's declaration of an Early Termination Date.

(c) Termination of Project Development Security. If after the Commercial Operation Date no damages are due and owing to Buyer under this Agreement, then Seller shall no longer be required to maintain the Project Development Security, and Buyer shall return to Seller the Project Development Security, less the amounts drawn in accordance with Section 8.4(b). If Seller has met the Guaranteed Commercial Operation Date, then the Project Development Security returned shall include amounts held by Buyer as Daily Delay Damages due to a delayed Construction Start Date, plus interest accrued at the Interest Rate. The Project Development Security (or portion thereof) due to Seller shall be returned to Seller within five (5) Business Days of Seller's provision of the Delivery Term Security unless, with Buyer's consent, Seller elects to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Delivery Term Security posted pursuant to Section 8.4(a)(ii).

(d) Payment and Transfer of Interest. Buyer shall pay interest on cash held as Project Development Security or Delivery Term Security, as applicable, at the Interest Rate; provided that, such interest shall be retained by Buyer until Seller posts the Delivery Term Security pursuant to Section 8.4(a)(ii). Upon Seller's posting of the Delivery Term Security, all accrued interest on the Project Development Security shall be transferred to Seller in the form of cash by wire transfer to the bank account specified under "Wire Transfer" in Appendix XI, (Notices List). After Seller posts the Delivery Term Security, Buyer shall transfer (as described in the preceding sentence) on or before each Interest Payment Date the Interest Amount due to Seller for such Delivery Term Security.

(e) Return of Delivery Term Security. Buyer shall return the unused portion of Delivery Term Security, including the payment of any interest due thereon, pursuant to Section 8.4(d) above, to Seller within fourteen (14) days after the following has occurred: (i) the Term of the Agreement has ended, or subject to Section 8.3, an Early Termination Date has occurred, as applicable; and (ii) all payment obligations of the Seller arising under this Agreement, including compensation for any Termination Payment, indemnification payments related to an event for which Buyer sought indemnification prior to the date specified in subpart (i) above, or other damages asserted prior to the date specified in subpart (i) above are paid or otherwise resolved in full (whether directly or indirectly such as through set-off or netting).

8.5 Letter of Credit.

(a) If Seller has provided a Letter of Credit pursuant to any of the applicable provisions in this Article Eight, then Seller shall renew or cause the renewal of each outstanding Letter of

Credit on a timely basis as provided in the relevant Letter of Credit and in accordance with this Agreement. In the event the issuer of such Letter of Credit (i) fails to maintain a Credit Rating of at least an A2 by Moody's and at least an A by S&P, (ii) indicates its intent not to renew such Letter of Credit, or (iii) fails to honor Buyer's properly documented request to draw on an outstanding Letter of Credit by such issuer, Seller shall cure such default by complying with either (A) or (B) below in an amount equal to the outstanding Letter of Credit, and by completing the action within five (5) Business Days after Buyer receives Notice of such refusal (all of which is considered the "Cure"):

(A) providing a substitute Letter of Credit that is issued by a qualified bank acceptable to Buyer, other than the bank failing to honor the outstanding Letter of Credit, or

(B) posting cash.

If Seller fails to Cure or if such Letter of Credit expires or fails or ceases to be in full force and effect at any time that such Letter of Credit is required pursuant to the terms of this Agreement, then Seller shall have failed to meet the creditworthiness/collateral requirements of Article Eight.

(b) In all cases, the reasonable costs and expenses of establishing, renewing, substituting, canceling, increasing, reducing, or otherwise administering the Letter of Credit shall be borne by Seller; provided that Buyer shall bear its own costs, including costs of outside counsel, associated with the establishment, maintenance, renewal, substitution, increase or cancellation of Buyer's rights and obligations in connection with any Letter of Credit, unless Buyer incurs out of pocket, third party costs to enforce its rights under the Letter of Credit, which costs Seller shall reimburse Buyer therefor.

ARTICLE NINE: GOVERNMENTAL CHARGES

9.1 Cooperation. Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

9.2 Governmental Charges. Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority ("Governmental Charges") on or with respect to the Product or the Transaction arising prior to the Delivery Point and on or with respect to the Non-Renewable Product at and from the Delivery Point, including, but not limited to, ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Product or the Transaction at and from the Delivery Point and on or with respect to the Non-Renewable Product prior to the Delivery Point. In the event Seller is required by Law or regulation to remit or pay Governmental Charges which are Buyer's responsibility hereunder, Buyer shall promptly reimburse Seller for such Governmental Charges. If Buyer is required by Law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, Buyer may deduct such amounts from payments to Seller with respect to payments under the Agreement; if Buyer elects not to deduct such amounts from Seller's payments, Seller shall promptly reimburse Buyer for such amounts upon request. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the Law. A Party that is exempt at any time and for any reason from one or more Governmental Charges bears the risk that such exemption shall be lost or the benefit of such exemption reduced; and thus, in the event a Party's exemption is lost or reduced, each Party's responsibility with respect to such Governmental Charge shall be in accordance with the first four sentences of this Section.

ARTICLE TEN: MISCELLANEOUS

10.1 [Intentionally Omitted]

10.2 Representations and Warranties.

(a) General Representations and Warranties. On the Execution Date, each Party represents and warrants to the other Party that:

(i) it is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

(ii) it has all regulatory authorizations necessary for it to perform its obligations under this Agreement, except for (A) CPUC Approval in the case of Buyer, and (B) all permits necessary to install, operate and maintain the Project in the case of Seller;

(iii) the execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law applicable to it;

(iv) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(vi) there is not pending or, to its knowledge, threatened against it or any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(vii) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(viii) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement; and

(ix) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or the ability to make or take delivery of the Product as provided in this Agreement.

(b) Seller Representations and Warranties. Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource (“ERR”) as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project’s output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent

a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

(c) Additional Seller Representations and Warranties. Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

10.3 Covenants.

(a) General Covenants. Each Party covenants that throughout the Delivery Term:

(i) it shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

(ii) it shall maintain (or obtain from time to time as required, including through renewal, as applicable) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement and the Transaction; and

(iii) it shall perform its obligations under this Agreement and the Transaction in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Law, rule, regulation, order or the like applicable to it.

(b) Seller Covenants. Throughout the Delivery Term, Seller covenants that it shall comply with all AESO Tariff requirements applicable to an Interconnection Customer (as defined in the AESO Tariff) and shall take any other reasonably necessary action, including but not limited to payment of fees and submission of requests, applications or other documentation, to promote the completion of the Electric System Upgrades prior to the Commercial Operation Date or as soon as practicable thereafter.

(c) Buyer Covenant. As part of Buyer's advice letter filing or other application process by which Buyer requests approval of this Agreement, Buyer shall submit to the CPUC the schematic diagram and narrative description substantially in the form attached hereto as Appendix IX of the delivery structure contemplated by this Agreement.

10.4 Title and Risk of Loss. Title to and risk of loss related to the Product shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Product free and clear of all liens, security interests, Claims and encumbrances or any interest therein or thereto by any person or entity arising prior to the Delivery Point. Immediately after the transfer of the Product from Seller to Buyer, title to and risk of loss related to the Non-Renewable Product shall transfer from Buyer to Seller at the Delivery Point. Buyer warrants that it will deliver to Seller at the Delivery Point the Non-Renewable Product free and clear of all liens, security interests, Claims and encumbrances or any interest therein or thereto by any person other than any such as existed at the time of Seller's delivery to Buyer of the Product.

10.5 Indemnities.

(a) Indemnity by Seller. Seller shall release, indemnify and hold harmless Buyer or Buyers' respective directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of (i) the Product delivered under this Agreement to the Delivery Point, (ii) the Non-Renewable Product delivered by Buyer under this Agreement at and after the Delivery Point or (iii) Seller's ownership, operation and/or maintenance of the Project, including, without limitation, any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Buyer, its Affiliates, or Buyers' and Affiliates' respective agents, employees, directors, or officers.

(b) Indemnity by Buyer. Buyer shall release, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of the Product delivered by Seller under this Agreement at the Delivery Point, including, without limitation, any loss, Claim, action or suit, for or on account of injury to, bodily or otherwise, or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only such loss, Claim, action or suit as may be caused solely by the willful misconduct or gross negligence of Seller, its agents, employees, directors or officers.

(c) No Dedication. Without limitation of each Party's obligations under Sections 10.5(a) and 10.5(b) herein, nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person or entity not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or the public, nor affect the status of Buyer as an independent public utility corporation or Seller as an independent individual or entity.

10.6 Assignment.

(a) General Assignment. Except as provided in Sections 10.6(b) and (c), neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld and shall not be withheld if each of the following has occurred: (i) the assignee assumes the transferring Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, (iii) the transferring Party delivers evidence satisfactory to the non-transferring Party of the proposed assignee's technical and financial capability to fulfill the assigning Party's obligations hereunder and (iv) the transferring Party delivers such tax and enforceability assurance as the other Party may reasonably request. Notwithstanding the foregoing and except as provided in Section 10.6(b), consent shall not be required for an assignment of this Agreement where the assigning Party remains subject to liability or obligation under this Agreement, provided that (A) the assignee assumes the assigning Party's payment and performance obligations under this Agreement, (B) the assignee agrees in writing to be bound by the terms and conditions hereof, and (C) the assigning Party provides the other Party hereto with at least thirty (30) days' prior written notice of the assignment.

(b) Assignment to Financing Providers. Seller shall be permitted to assign this Agreement as collateral for any financing or refinancing of the Project with the prior written consent of the Buyer, which consent shall not be unreasonably withheld and such consent shall be in a form reasonably acceptable to the Parties and the financing providers.

(c) Assignment in Connection with a Change of Control.

(i) A Change of Control of Seller (whether voluntary or by operation of law) shall be deemed an assignment and shall be subject to the provisions of Section 10.6(a)(i) through (iv) and a Change of Control of Seller's Owner shall be deemed an assignment and shall be subject to the provisions of Section 10.6(c)(ii), unless, in each case, Section 10.6(c)(iii) applies to the Change of Control of Seller or Seller's Owner, as applicable. "Change of Control" shall be defined solely as the occurrence of any one of the following events with respect to Seller, or with respect to any person or entity which is a direct owner of a majority of the ownership interests in Seller ("Seller's Owner"): (i) a transfer of a majority of the ownership interests in Seller or Seller's Owner to any third party, including, subject to Section 10.6(c)(iii)(B) below, to an Affiliate of Seller or Seller's Owner; or (ii) any consolidation or merger of Seller or Seller's Owner in which Seller or Seller's Owner, as applicable, is not the continuing or surviving entity, but not including a consolidation or merger in which the holders of the ownership interests in Seller or Seller's Owner immediately before the consolidation or merger, own at least fifty percent (50%) of the interests of the surviving entity upon consummation of the consolidation or merger.

(ii) A Change of Control of Seller's Owner shall require the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed, and shall only be withheld if Buyer reasonably concludes that the Change of Control of Seller's Owner would result in either a Seller with a creditworthiness worse than that of Seller's prior to the Change of Control or a Seller with experience in the power generation industry less than Seller's prior to the Change of Control.

(iii) Notwithstanding Section 10.6(c)(i), a Change of Control of Seller or Seller's Owner shall not be deemed to have occurred (A) as the result of any assignment in accordance with Section 10.6(b), (B) (I) if the transfer of the ownership interests in Seller or Seller's Owner is to an Affiliate of Seller or Seller's Owner, and such Affiliate (w) has creditworthiness not worse than that of Seller's prior to the Change of Control, and (x) has demonstrable experience in the power generation industry not less than that of Seller; or (II) if the transfer of the ownership interests in Seller or Seller's Owner is to an entity that (y) has creditworthiness not worse than that of Seller's prior to the Change of Control, and (z) the entity operating and maintaining the Project prior to the Change in Control has not changed (whether voluntarily or by operation of law) and such entity continues to operate and maintain the Project; provided, in each case, that the Project Development Security or the Delivery Term Security, as applicable, either (1) remains in place, or (2) is replaced by other collateral to secure Seller's obligations hereunder and by a provider of such collateral, both of which, satisfy the collateral requirements of this Agreement.

(iv) Seller shall provide Buyer with Notice of any event described in Section 10.6(c)(iii), and of any indirect change in control of Seller which is not a Change of Control of Seller or Seller's Owner. Seller shall use commercially reasonable efforts to provide such Notice at least thirty (30) Business Days prior to the anticipated date of change of control, and shall, in any event, provide such notice no later than thirty (30) Business Days after the change of control.

(d) Unauthorized Assignment. Any assignment or purported assignment in violation of this Section 10.6 is void.

10.7 Confidentiality.

Confidentiality Notification: If checked, Seller has waived its right to notification in accordance with Section 10.7(b).

(a) Neither Party shall disclose the non-public terms or conditions of this Agreement, or any non public information exchanged between the Parties in respect of this Agreement, to a third party, other than as follows:

(i) to the Party's Affiliates, the Party's or its Affiliates' respective employees, lenders or potential lenders, investors or potential investors, counsel, accountants, contractors, or advisors who have a need to know such information and have agreed to keep such terms confidential,

(ii) for disclosure to Buyer's Procurement Review Group, as defined in CPUC Decision D. 02-08-071, subject to a confidentiality agreement,

(iii) to the CPUC under seal for purposes of review,

(iv) for disclosure of those certain terms specified in and pursuant to Section 10.8 of this Agreement;

(v) in order to comply with any applicable Law, regulation, or any exchange, control area or CAISO rule, ISO Rule, or order issued by a court or entity with competent jurisdiction over the disclosing Party ("Disclosing Party"), other than to those entities set forth in subsection (vi); or

(vi) in order to comply with *any* applicable regulation, rule, or order of the CPUC, CEC, or the FERC.

(b) If a Party is required to disclose confidential information in order to satisfy an obligation pursuant to subsection (a)(v) above ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts: (i) to notify the other Party prior to disclosing the confidential information and (ii) prevent or limit such disclosure. After using such reasonable efforts, the Disclosing Party shall not be: (y) prohibited from complying with a Disclosure Order or (z) liable to the other Party for monetary or other damages incurred in connection with the disclosure of the confidential information. Except as provided in the preceding sentence, the Parties shall be entitled to all remedies available at Law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

(c) The confidentiality provisions of this Section 10.7 shall govern confidential treatment of all information exchanged between the Parties relating to this Agreement, whether such information was exchanged before or after the Execution Date.

10.8. RPS Confidentiality. Notwithstanding Section 10.7(a) of this Agreement, at any time on or after the date on which the Buyer makes its advice filing letter seeking CPUC Approval of this Agreement, either Party shall be permitted to disclose the following terms with respect to such Transaction: Party names, resource type, Delivery Term, Project location, Contract Capacity, anticipated Commercial Operation Date, Contract Quantity, and Delivery Point.

10.9 Audit. Each Party has the right, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement including amounts of Delivered Energy. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid; provided, however, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of twelve (12) months from the rendition thereof, and thereafter any objection shall be deemed waived.

10.10. Insurance. Throughout the Term, Seller shall, at its sole cost and expense, obtain and maintain the following insurance coverages and require Seller's EPC Contractors to carry insurance coverages consistent with the following.

(a) Workers' Compensation.

Workers' Compensation insurance to the full extent required in the jurisdictions where Seller performs Work.

(b) Commercial General Liability.

(i) Comprehensive or Commercial General Liability (CGL) insurance on a per occurrence basis with a bodily injury, death, and property damage limit of not less than C\$5,000,000 inclusive and including Buyer and its personnel, directors, officers, and agents as Additional Insureds; and without restricting the generality of the foregoing, including extensions known as Cross Liability, Severability of Interests, Blanket Contractual, Products and Completed operations, Personal Injury, Non-Owned Automobile Liability, Contingent Employer's Liability, Forest Fire Fighting Expense with a sublimit of not less than C\$500,000. Limits may be satisfied through Umbrella or Excess policies.

(ii) Coverage shall be endorsed to specify that the Seller's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

(c) Business Auto.

Automobile Liability Insurance as required in the jurisdictions in which the Seller operates the Project, covering all motor vehicles owned, operated, or licensed by Seller with a bodily injury, death, and property damage limit of not less than C\$2,000,000 inclusive. Limits may be satisfied through Umbrella or Excess policies.

(d) Aircraft Liability.

(i) If the scope of Work involves aircraft, coverage for bodily injury, property damage, including injury sustained by any passenger, applying to all aircraft owned, furnished or used by the Seller in the performance of this Agreement shall be maintained. Work that involves chemical spraying shall include coverage for pesticide and herbicide application.

(ii) The limit shall not be less than C\$5,000,000 single limit for bodily injury and property damage including passenger liability.

(iii) Coverage shall:

(A) by "Additional Insured" endorsement add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of Work performed by or for the Seller;

(B) be endorsed to specify that the Seller's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

(e) Watercraft Liability.

(i) If the scope of Work involves watercraft, Marine protection and indemnity or other liability coverage, including coverage for injury sustained by any passenger, apply to all watercraft used in the performance of this Agreement.

(ii) The limit shall not be less than C\$1,000,000 for each occurrence for bodily injury and property damage including passenger legal liability.

(iii) Coverage shall:

(A) by “Additional Insured” endorsement add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work by or for the Seller;

(B) be endorsed to specify that the Seller's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

(f) Seller’s Pollution Liability.

(i) Coverage for bodily injury and property damage resulting from sudden and accidental pollution conditions, including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, hydrocarbons, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water shall be maintained.

(ii) The limit shall not be less than C\$1,000,000 each occurrence for bodily injury and property damage and coverage may be provided within the CGL insurance as described in Section 10.10(b).

(iii) The policy shall endorse PG&E as additional insured.

(g) All Risk Property Insurance.

(i) An All Risk Property insurance policy including earthquake and flood shall be maintained during the course of Work being performed and include start-up and testing for installed equipment. Such policy shall include coverage for materials and equipment while under the care, custody and control of the Seller during the course of Work, at the Site, offsite or while in transit to the Site.

(ii) Coverage shall be written to cover the full replacement cost of the property, except earthquake and flood, which may be subject to sublimits available.

(h) Intentionally Omitted.

(i) Additional Insurance Provisions.

(i) Before commencing performance of the Work, Seller shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Seller.

(ii) The documentation shall state that coverage shall not be cancelled except after thirty (30) days prior written Notice has been given to PG&E.

(iii) Buyer uses a third party vendor, Exigis, to confirm and collect insurance documents. Certificates of insurance and endorsements shall be signed and submitted by a person authorized by the insurer to bind coverage on Seller's behalf, and submitted through the Exigis website at <https://prod1.exigis.com/pge>, or such other method, as directed by Buyer. The Exigis helpline is 1 (888) 280-0178. The certificate holder shall be listed as "Pacific Gas and Electric Company c/o Exigis." Seller's insurance vendor and broker will be required to register as a "Service Provider" on the Exigis website.

(iv) Reviews of such insurance may be conducted by PG&E on an annual basis and, in addition, PG&E may inspect the original policies or require complete certified copies at any time.

(v) Upon request, Seller shall furnish Buyer evidence of insurance for the EPC Contractors.

(vi) The insurance carrier or carriers and form of policy shall be subject to review and approval by PG&E.

(j) Form And Content.

(i) All policies or binders with respect to insurance maintained by Seller shall:

(A) waive any right of subrogation of the insurers with respect to All Risk Property Insurance hereunder against PG&E, its officers, directors, employees, agents and representatives of each of them, and any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under such policy; and

(B) with respect to any additional insured, provide that such insurance will not be invalidated regardless of any breach or violation of any warranty, declaration or condition contained in such insurance by the Seller.

10.11 Access to Financial Information. The Parties agree that Generally Accepted Accounting Principles ("GAAP") and SEC rules require Buyer to evaluate if Buyer must consolidate Seller's financial information. Buyer may require access to Seller's financial records and personnel to determine if consolidated financial reporting is required. If Buyer and Seller jointly determine that consolidation is required, Buyer may require the following from Seller during every calendar quarter for the Term:

(a) Complete audited financial statements, including notes, with respect to annual financial statements and complete audited statements on a quarterly basis, provided that if Seller only has unaudited statements, then Seller's obligation to provide financial statements pursuant to this Section 10.11(a) shall be limited to the provision of such unaudited statements unless and until Buyer requires the audited statements at Buyer's sole expense pursuant to Section 10.11(b) below; and

(b) Financial schedules underlying the financial statements needed to comply with GAAP requirements, all within ninety (90) days after the end of each fiscal quarter for quarterly financial statements and within one hundred twenty (120) days after the end of the fiscal year for annual financial

statements; provided that Buyer shall reimburse Seller for its documented third-party reasonable expenses incurred by Seller in complying with Buyer's requests pursuant to this Section 10.11, provided further that any such expenses in excess of \$2,000 require Buyer's written approval before they are incurred by Seller and Buyer shall not be required to reimburse Seller for its internal expenses which are incurred in the ordinary course of business of maintaining, operating and owning the Project. Seller shall have no obligation to comply with any request by Buyer pursuant to this Section 10.11 that is expected to cause Seller to incur costs in excess of \$2,000 unless and until Buyer provides written approval of such expense.

Any information provided to Buyer pursuant to this Section 10.11 shall be considered confidential in accordance with the terms of this Agreement and shall only be disclosed, as required by GAAP standards, on an aggregate basis with other similar entities for which Buyer has power purchase agreements. Buyer shall ensure that information provided pursuant to this Section 10.11 shall only be available to Buyer's accounting and finance personnel responsible for financial reporting, shall only be used for financial statement purposes, and shall not be otherwise shared with internal or external parties.

10.12 Governing Law. This agreement and the rights and duties of the parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law. To the extent enforceable at such time, each party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this agreement.

10.13 General. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. The term "including" when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. Except to the extent provided for, no amendment or modification to this Agreement shall be enforceable unless reduced to writing and executed by both Parties. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement). Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default. The headings used herein are for convenience and reference purposes only. Facsimile or PDF transmission will be the same as delivery of an original document; provided that at the request of either Party, the other Party will confirm facsimile or PDF signatures by signing and delivering an original document; provided, however, that the execution and delivery of this Agreement and its counterparts shall be subject to Section 10.15. This Agreement shall be binding on each Party's successors and permitted assigns. If the terms and conditions of this Agreement or the Transaction are determined to be subject to FERC jurisdiction, then, notwithstanding any provision of this Agreement, (i) neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties, and (ii) absent the prior written agreement of both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party, a non-Party or the FERC acting *sua sponte* shall be the "public interest" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956).

10.14 Severability. If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement and the Parties shall use their best efforts to modify this Agreement to give effect to the original intention of the Parties.

10.15 Counterparts. This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by fax will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by facsimile will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement.

ARTICLE ELEVEN: TERMINATION EVENTS

11.1 Force Majeure Termination Event.

(a) Force Majeure Failure. Buyer shall have the right, but not the obligation, to terminate this Agreement, and Seller shall have no further liability to Buyer, after the occurrence of the following:

(i) if after the Commercial Operation Date, the Project fails to deliver at least forty percent (40%) of the Contract Quantity to the Delivery Point for a period of twenty-four (24) consecutive rolling months following a Force Majeure event that materially and adversely impacts the Project (“Force Majeure Project Failure”); provided that:

(A) if the Project may be capable of resuming normal production, then Seller shall be entitled to an additional period of time (not to exceed six (6) months) to remedy the Force Majeure if within forty-five (45) days of receipt of Notice from Buyer that a Force Majeure Project Failure has occurred, Seller presents Buyer with a plan for mitigation of the effect of the Force Majeure which plan is commercially reasonable and reasonably satisfactory to Buyer, as evidenced by Buyer’s written acknowledgement of such plan, and Seller diligently pursues such mitigation plan throughout said additional period; or

(B) if the Project is destroyed or rendered inoperable by a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer.

(ii) if prior to the Construction Start Date or Commercial Operation Date, as applicable, Seller is unable, due solely to a Force Majeure event, to achieve the Construction Start Date or place the Project into Commercial Operation by either of the Guaranteed Milestones, after applicable Permitted Extensions or cure periods have run, as set forth in Sections 3.9(c)(iii) and (iv) (in either case a “Force Majeure Development Failure”); provided that in the event of a Force Majeure caused by a catastrophic natural disaster, upon Buyer’s written request to Seller, Seller shall have not more than ninety (90) days to retain an independent, third party engineer to determine whether the Project is capable of being repaired or replaced within twenty-four (24) additional months and provide Buyer a copy of the engineer’s report, at no cost to Buyer;

(b) Right of Offer.

If Buyer exercises its termination right in connection with the Force Majeure Project Failure, then for a period of three (3) years from the date on which Buyer Notifies Seller of such termination, neither Seller, its successors and assigns, nor its Affiliates shall enter into an obligation or agreement to sell or otherwise transfer any Products from the Project to any third party, unless Seller

offers, in writing, to sell to Buyer such Products from the Project on terms and conditions, including price, proposed by Seller at the same time Seller is engaging in any communications with any third party for the purpose of negotiating a term sheet or contract for the sale of any or all Products from the Project to third parties. Seller shall thereafter be free to sell or otherwise transfer, and to enter into agreements to sell or otherwise transfer, any Products from the Project to any third party.

ARTICLE TWELVE: DISPUTE RESOLUTION

12.1 Intent of the Parties. Except as provided in the next sentence, the sole procedure to resolve any claim arising out of or relating to this Agreement is the dispute resolution procedure set forth in this Article Twelve. The lone exception to the foregoing is that either Party may seek an injunction in Superior Court in San Francisco, California if such action is necessary to prevent irreparable harm, in which case both Parties nonetheless will continue to pursue resolution of all other aspects of the dispute by means of this procedure.

12.2 Management Negotiations.

(a) The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement by prompt negotiations between each Party's Authorized Representative, or such other person designated in writing as a representative of the Party (each a "Manager"). Either Manager may request a meeting to, be held in person or telephonically, to initiate negotiations to be held within ten (10) Business Days of the other Party's receipt of such request, at a mutually agreed time and place. If the matter is not resolved within fifteen (15) Business Days of their first meeting ("Initial Negotiation End Date"), the Managers shall refer the matter to the designated senior officers of their respective companies ("Executive(s)"), who shall have authority to settle the dispute. Within five (5) Business Days of the Initial Negotiation End Date ("Referral Date"), each Party shall provide one another written Notice confirming the referral and identifying the name and title of the Executive who will represent the Party.

(b) Within five (5) Business Days of the Referral Date, the Executives shall establish a mutually acceptable location and date to meet, which date shall not be greater than thirty (30) days from the Referral Date. After the initial meeting date, the Executives shall meet, as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute.

(c) All communication and writing exchanged between the Parties in connection with these negotiations shall be deemed confidential and subject to the confidentiality provisions of this Agreement. All such communication and writing shall be inadmissible as evidence such that it cannot be used or referred to in any subsequent binding adjudicatory process between the Parties, whether with respect to this dispute or any other.

(d) If the matter is not resolved within forty-five (45) days of the Referral Date, or if the Party receiving the written request to meet, pursuant to Section 12.2(a), refuses or does not meet within the ten (10) Business Day period specified in Section 12.2(a), either Party may initiate mediation of the controversy or claim according to the terms of the following Section 12.3.

12.3 Mediation. If the dispute cannot be resolved by negotiation as set forth in Section 12.2 above, then either Party may initiate mediation, the first-step of a two-step dispute resolution process, which JAMS shall administer. As the first step, the Parties agree to mediate any controversy before a commercial mediator from the JAMS panel, pursuant to JAMS's then-applicable commercial mediation rules, in San Francisco, California. Either Party may initiate such a mediation by serving a written demand for mediation. The mediator shall not have the authority to require, and neither Party may be

compelled to engage in, any form of discovery prior to or in connection with the mediation. If within sixty (60) days after service of a written demand for mediation, or as extended by mutual agreement of the Parties, the mediation does not result in resolution of the dispute, then the Parties shall resolve such controversy through Arbitration by one retired judge or justice from the JAMS panel, which Arbitration shall take place in San Francisco, California, and which the arbitrator shall administer by and in accordance with JAMS's Commercial Arbitration Rules ("Arbitration"). If the Parties cannot mutually agree on the arbitrator who will adjudicate the dispute, then JAMS shall provide the Parties with an arbitrator pursuant to its then-applicable Commercial Arbitration Rules. The period commencing from the date of the written demand for mediation until the appointment of a mediator shall be included within the sixty (60) day mediation period. Any mediator(s) and arbitrator(s) shall have no affiliation with, financial or other interest in, or prior employment with either Party and shall be knowledgeable in the field of the dispute. Either Party may initiate Arbitration by filing with the JAMS a notice of intent to arbitrate within sixty (60) days of service of the written demand for mediation.

12.4 Arbitration. At the request of a Party, the arbitrator shall have the discretion to order depositions of witnesses to the extent the arbitrator deems such discovery relevant and appropriate. Depositions shall be limited to a maximum of three (3) per Party and shall be held within thirty (30) days of the making of a request. Additional depositions may be scheduled only with the permission of the arbitrator, and for good cause shown. Each deposition shall be limited to a maximum of six (6) hours duration unless otherwise permitted by the arbitrator for good cause shown. All objections are reserved for the Arbitration hearing except for objections based on privilege and proprietary and confidential information. The arbitrator shall also have discretion to order the Parties to exchange relevant documents. The arbitrator shall also have discretion to order the Parties to answer interrogatories, upon good cause shown.

(a) Each of the Parties shall submit to the arbitrator, in accordance with a schedule set by the arbitrator, offers in the form of the award it considers the arbitrator should make. If the arbitrator requires the Parties to submit more than one such offer, the arbitrator shall designate a deadline by which time the Parties shall submit their last and best offer. In such proceedings the arbitrator shall be limited to awarding only one of the two "last and best" offers submitted, and shall not determine an alternative or compromise remedy.

(b) The arbitrator shall have no authority to award punitive or exemplary damages or any other damages other than direct and actual damages and the other remedies contemplated by this Agreement.

(c) The arbitrator's award shall be made within nine (9) months of the filing of the notice of intention to arbitrate (demand) and the arbitrator shall agree to comply with this schedule before accepting appointment. However, this time limit may be extended by agreement of the Parties or by the arbitrator, if necessary. The California Superior Court of the City and County of San Francisco may enter judgment upon any award rendered by the arbitrator. The Parties are aware of the decision in *Advanced Micro Devices, Inc. v. Intel Corp.*, 9 Cal. 4th 362 (1994) and, except as modified by this Agreement, intend to limit the power of the arbitrator to that of a Superior Court judge enforcing California Law.

(d) The prevailing Party in this dispute resolution process is entitled to recover its costs and reasonable attorneys' fees.

(e) The arbitrator shall have the authority to grant dispositive motions prior to the commencement of or following the completion of discovery if the arbitrator concludes that there is no material issue of fact pending before him or her.

(f) Except as may be required by Law, neither a Party nor an arbitrator may disclose the existence, content, or results of any Arbitration hereunder without the prior written consent of both Parties.

ARTICLE THIRTEEN: NOTICES

Whenever this Agreement requires or permits delivery of a “Notice” (or requires a Party to “notify”), the Party with such right or obligation shall provide a written communication in the manner specified herein; provided, however, that notices of Outages, as provided in Appendix VIII, shall be provided in accordance with the terms set forth in the relevant section of this Agreement. Notices may be sent by facsimile or e-mail. A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next Business Day) and a Notice of overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Either Party may periodically change any address, phone number, e-mail, or contact to which Notice is to be given it by providing Notice of such change to the other Party.


SIGNATURES

Agreement Execution

In WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the dates provided below:

BLACKSPRING RIDGE IA WIND PROJECT

LP, a Limited Partnership created under the laws of the Province of Alberta by its General Partner, **PACIFIC GAS AND ELECTRIC COMPANY,** Blacksprings Ridge IA Wind Project Ltd, a California corporation

Signature: 
Name: Daniel I. Balaban
Title: President
Date: February 18, 2010

Signature: _____
Name: _____
Title: _____
Date: _____

SIGNATURES

Agreement Execution

In WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the dates provided below:

BLACKSPRING RIDGE IA WIND PROJECT
LP, a Limited Partnership created under the
laws of the Province of Alberta

PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

Signature: _____

Name: _____

Title: _____

Date: _____

Signature:  _____

Name: Roy Kuga

Vice President, Energy Supply

Title: Management

Date: February 19, 2010



APPENDIX I

FORM OF LETTER OF CREDIT

Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXXX

Date: [insert issue date]

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

Applicant: [Insert name and address of Applicant]

Letter of Credit Amount: [insert amount]

Expiry Date: [insert expiry date]

Ladies and Gentlemen:

By order of **[insert name of Applicant]** (“Applicant”), we hereby issue in favor of Pacific Gas and Electric Company (the “Beneficiary”) our irrevocable standby letter of credit No. **[insert number of letter of credit]** (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ **[insert amount in figures followed by (amount in words)]** (“Letter of Credit Amount”). This Letter of Credit is available with **[insert name of issuing bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[insert expiry date]** (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[insert number]** and stating the amount of the demand; and
2. One of the following statements signed by an authorized representative or officer of Beneficiary:
 - A. “Pursuant to the terms of that certain Power Purchase Agreement (“PPA”), dated _____, between Beneficiary and **[insert name of Seller under the PPA]**, Beneficiary is entitled to draw under Letter of Credit No. **[insert number]** amounts owed by **[insert name of Seller under the PPA]** under the PPA; or
 - B. “Letter of Credit No. **[insert number]** will expire in thirty (30) days or less and **[insert name of Seller under the PPA]** has not provided replacement security acceptable to Beneficiary.

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
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. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended (without an amendment hereto) for a period of one (1) year from the Expiry Date or any future Expiry Date, unless **[insert name of Seller under the PPA]** has provided replacement security acceptable to Beneficiary, or Beneficiary has returned this Letter of Credit to **[insert name of Seller under the PPA]** prior to the Expiry Date.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at our offices at **[insert issuing bank's address for drawings]**.

All demands for payment shall be made by presentation of originals or copies of documents, or by facsimile transmission of documents to **[insert fax number]**, Attention: **[insert name of issuing bank's receiving department]**, with originals or copies of documents to follow by overnight mail. If presentation is made by facsimile transmission, you may contact us at **[insert phone number]** to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the sixth (6th) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[insert number and any other necessary details]**.

Very truly yours,

[insert name of issuing bank]

By: _____
Authorized Signature

Name: _____ **[print or type name]**

Title: _____

Exhibit A SIGHT DRAFT

TO
[INSERT NAME AND ADDRESS OF PAYING BANK]

AMOUNT: \$ _____ DATE: _____

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC
COMPANY THE AMOUNT OF U.S.\$ _____ (_____ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO. XXXXXX.

REMIT FUNDS AS FOLLOWS:

[INSERT PAYMENT INSTRUCTIONS]

DRAWER

BY: _____
NAME AND TITLE

APPENDIX II

INITIAL ENERGY DELIVERY DATE CONFIRMATION LETTER

In accordance with the terms of that certain Power Purchase Agreement dated _____ (“Agreement”) by and between Pacific Gas and Electric Company (“Buyer”) and _____ (“Seller”), this letter (“Initial Energy Delivery Date Confirmation Letter”) serves to document the Parties’ further agreement that (i) the Conditions Precedent to the occurrence of the Initial Energy Delivery Date have been satisfied, and (ii) Seller has scheduled and Buyer has received the Product, as specified in the Agreement, as of this ____ day of _____, _____ (the “Initial Energy Delivery Date”). All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, each Party has caused this Initial Energy Delivery Date Confirmation Letter to be duly executed by its authorized representative as of the date of last signature provided below:

[SELLER]

PACIFIC GAS AND ELECTRIC COMPANY

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX III

MILESTONES SCHEDULE

Identify Milestone	Date for Completion
Notice of Application for AUC Permit Published	January 31, 2012
Receipt of Permit from the AUC to Construct a Wind Power Facility	March 31, 2012
Execution of AESO Interconnection Proposal Agreement	March 31, 2012
Execution of Turbine Supply Agreement	March 31, 2012
Execution of EPC Contract	June 30, 2012
Close of Construction Financing	June 30, 2012
Guaranteed Construction Start Date	July 31, 2012
Start of Construction of Interconnection Pursuant to AESO Interconnection Proposal Agreement	September 30, 2012
Guaranteed Commercial Operation Date	December 31, 2012

APPENDIX III- Attachment A

FORM OF MONTHLY
PROGRESS REPORT

Monthly Construction Progress Report

For:

[Project Name]

By:

[Counterparty name] (“*Seller*”)

On:

[Report Date]

For month of:

[Report Month]

Provided to:

Pacific Gas & Electric Company (“*Buyer*”)

GENERAL PROJECT SPECIFICATIONS

Site Address, City, State:

Project Technology (*Biomass, Biogas, Geothermal, Hydro, Solar PV, Solar Thermal, Wind*):

Megawatt capacity:

Site size (*acres, square miles, square feet*):

1. INSTRUCTIONS

- 1.1. **Please complete the form monthly and forward it to your PG&E Contract Manager by the 15th of each month.**
- 1.2. **You may add new information to the prior month's report without editing the prior month's information to reflect current status. For ease of review, please add a date in parenthesis in front of each new entry.**

ie: (11/4/09) Grading has started for the roads and turbine sites.

(10/4/09) Construction of maintenance buildings has been completed.
- 1.3. **See the Requirements for this report in Section 18.**

2. EXECUTIVE SUMMARY

Please provide a general project overview statement.

3. MAJOR ACTIVITIES PERFORMED AND/OR COMPLETED - INCEPTION TO DATE

Please provide a cumulative summary of the major activities completed for each of the following aspects of the Project (provide details in subsequent sections of this report).

- 3.1. Milestones`
- 3.2. Financing
- 3.3. Permitting and Governmental Approvals
- 3.4. Site Control
- 3.5. Design and Engineering
- 3.6. Major Equipment Procurement
- 3.7. Construction
- 3.8. Interconnection
- 3.9. Startup Testing and Commissioning

4. MAJOR ACTIVITIES PLANNED FOR NEXT MONTH

Please provide a summary of the major activities to be performed during the current month for each of the following aspects of the Project (provide details in subsequent sections of this report).

- 4.1. Milestones
- 4.2. Financing

4.3. Permitting and Governmental Approvals

4.4. Site Control

4.5. Design and Engineering

4.6. Major Equipment procurement

4.7. Construction

4.8. Interconnection

4.9. Startup Testing and Commissioning

5. MILESTONES

5.1. Milestone schedule

Please list all Milestones specified in the Agreement and state the current status of each.

Milestone	Milestone Date Specified in the Agreement	Status (e.g., on schedule, delayed due to [<i>specify reason</i>]; current expected completion date)

6. MILESTONE REMEDIAL ACTION PLAN (IF APPLICABLE)

Seller has failed and/or expects to fail to achieve any Milestone by the Milestone Date, please explain in detail each of the following aspects of Seller's Remedial Action Plan.

6.1. Missed Milestone

6.2. Plans to achieve missed Milestone

6.3. Plans to achieve subsequent Milestones

6.4. Delays in engineering schedule and plans to remedy delays

6.5. Delays in major equipment procurement and plans to remedy delays

6.6. Delays in construction and interconnection schedule and plans to remedy

7. FINANCING

Please provide the schedule Seller intends to follow to obtain financing for the project. Include information about each stage of financing.

Activity (e.g., obtain \$xx for yy stage from zz)	Completion Date
	___/___/___ (expected / actual)
	___/___/___ (expected / actual)

8. PROJECT SCHEDULE

Please provide a copy of the current version of the overall project schedule (e.g., Work Breakdown Structure, Gantt chart, MS Project report, etc.). Include all major activities for governmental approvals, design and engineering, procurement, construction, interconnection and testing.

9. PERMITTING AND GOVERNMENTAL APPROVALS

9.1. Environmental Impact Review

Please provide information about the primary environmental impact review for the Project. Indicate whether dates are expected or actual.

Agency [e.g., the lead agency as required under the California Environmental Quality Act (CEQA)]	
Date of application/submission	___/___/___ (expected / actual)
Date application/submission deemed complete by agency	___/___/___ (expected / actual)
Date of initial study (if applicable)	___/___/___ (expected / actual)
Process (e.g., Notice of Exemption, Negative Declaration, Mitigated Negative Declaration, Environmental Impact Report)	
Date of Notice of Preparation or Equivalent	___/___/___ (expected / actual)
Date of Draft Negative Declaration – Mitigated Negative Declaration - Environmental Impact Report or Equivalent	___/___/___ (expected / actual)
Date Notice of Determination or Equivalent filed at CA Office of Planning and Research or County Clerk or Equivalent	___/___/___ (expected / actual)

9.2. Federal, State, Regional, County or Local Governmental Approvals

Please describe each of the major Governmental Approvals to be obtained by Seller and the status of each.

Agency / Approval <i>e.g., California Energy Commission (CEC) / Application for Certification (AFC)</i> <i>[name] County / Conditional Use Permit (CUP)</i>	Status Summary <i>e.g., dates of application / hearing / notice / etc. (note whether dates are anticipated or actual); major activities (indicate whether planned, in progress and/or completed); primary reasons for possible delay, etc.</i>

9.3. Governmental Approval activities recently performed

Please list all Governmental Approval activities that occurred since the previous report.

9.4. Governmental Approval activities expected during the current month

Please list all Governmental Approval activities that are expected to occur during the current month.

9.5. Governmental Approval Notices received from EPC Contractor

Please attach to this Monthly Progress Report copies of any notices related to Governmental Approval activities received since the previous report, whether from EPC Contractor or directly from governmental agencies.

10. SITE CONTROL

10.1. Table of site control schedule

Please provide the schedule Seller intends to follow to obtain control of the project site (e.g., purchase, lease).

Activity	Completion Date
	/ / (expected / actual)
	/ / (expected / actual)

10.2. Site Control activities recently performed

Please explain in detail the property acquisition activities that were performed since the previous report.

10.3. Site Control activities expected during the current month.

Please explain in detail the site control activities that are expected to be performed during the current month.

11. DESIGN and ENGINEERING

11.1. Design and engineering schedule

Please provide the name of the EPC Contractor, the date of execution of the EPC Contract, and the date of issuance of a full notice to proceed (or equivalent).

Please list all major design and engineering activities, both planned and completed, to be performed by Seller and the EPC Contractor.

Name of EPC Contractor / Subcontractor	Activity	Completion Date
		___/___/___ (expected / actual)
		___/___/___ (expected / actual)

11.2. Design and engineering activities recently performed

Please explain in detail the design and engineering activities that were performed since the previous report.

11.3. Design and engineering activities expected during the current month

Please explain in detail the design and engineering activities that are expected to be performed during the current month.

12. MAJOR EQUIPMENT PROCUREMENT

12.1. Major equipment to be procured

Please list all major equipment to be procured by Seller or the EPC Contractor.

Equipment Description	Manufacturer	Delivery Date (indicate whether expected or actual)	Installation Date (indicate whether expected or actual)
		___/___/___ (expected / actual)	___/___/___ (expected / actual)
		___/___/___ (expected / actual)	___/___/___ (expected / actual)

Equipment Description	No. Ordered	No. Made	No. On-Site	No. Installed	No. Tested

12.2. Major Equipment procurement activities recently performed

Please explain in detail the major equipment procurement activities that were performed since the previous report.

12.3. Major Equipment procurement activities expected during the current month

Please explain in detail the major equipment procurement activities that are expected to be performed during the current month.

13. CONSTRUCTION

13.1. Construction activities

Please list all major construction activities, both planned and completed, to be performed by Seller or the EPC contractor.

Activity	EPC Contractor / Subcontractor	Completion Date
		___/___/___ (expected / actual)
		___/___/___ (expected / actual)

13.2. Construction activities recently performed

Please explain in detail the construction activities that were performed since the previous report.

13.3. Construction activities expected during the current month

Please explain in detail the construction activities are expected to be performed during the current month.

13.4. EPC Contractor Monthly Construction Progress Report.

Please attach a copy of the Monthly Construction Progress Reports received since the previous report from the EPC Contractor pursuant to the construction contract between Seller and EPC Contractor, certified by the EPC Contractor as being true and correct as of the date issued.

14. INTERCONNECTION AND TRANSMISSION

14.1. Interconnection activities

Please list all major interconnection activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		___/___/___ (expected / actual)
		___/___/___ (expected / actual)

14.2. Interconnection activities recently performed

Please explain in detail the interconnection activities that were performed since the previous report.

14.3. Interconnection activities expected during the current month

Please explain in detail the interconnection activities that are expected to be performed during the current month.

15. STARTUP TESTING AND COMMISSIONING

15.1. Startup testing and commissioning activities

Please list all major startup testing and commissioning activities, both planned and completed, to be performed by Seller or the EPC Contractor.

Activity	Name of EPC Contractor / Subcontractor	Completion Date
		/ / (expected / actual)
		/ / (expected / actual)

15.2. Startup testing and commissioning activities recently performed

Please explain in detail the startup testing and commissioning activities that were performed since the previous report.

15.3. Startup testing and commissioning activities expected during the current month

Please explain in detail the startup testing and commissioning activities that are expected to be performed during the current month.

16. SAFETY AND HEALTH REPORT

16.1. Accidents

Please describe all project-related accidents reported since the previous report.

16.2. Work stoppages

Please describe all project-related work stoppages that occurred since the previous report.

Please describe the effect of work stoppages on the project schedule.

17. CERTIFICATION

I, _____, on behalf of and as an authorized representative of
[_____], do hereby certify that any and all information contained in this
Seller's Monthly Construction Progress Report is, to the best of my knowledge, true,
accurate, and reflects the current status of the construction of the Units as of the date
specified below.

By: _____

Name: _____

Title: _____

Date: _____

18. REQUIREMENTS

Any capitalized terms used in this report which are not defined herein shall have the meaning ascribed to them in the Power Purchase and Sale Agreement by and between , (“Seller”) and Pacific Gas & Electric Company dated _____, (the “Agreement”).

Seller shall review the status of each Milestone as discussed herein of the construction schedule (the “Schedule”) for the Units and related Project and Seller shall identify such matters referenced in clauses (i)-(v) below as known to Seller and which in Seller’s reasonable judgment are expected to adversely affect the Schedule, and with respect to any such matters, shall state the actions which Seller intends to take to ensure that the Milestones will be attained by their required dates. Such matters may include, but shall not be limited to:

- (i) Any material matter or issue arising in connection with a Governmental Approval, or compliance therewith, with respect to which there is an actual or threatened dispute over the interpretation of a Law, actual or threatened opposition to the granting of a necessary Governmental Approval, any organized public opposition, any action or expenditure required for compliance or obtaining approval that Seller is unwilling to take or make, or in each case which could reasonably be expected to materially threaten or prevent financing of the Units or related Project, attaining any Milestone, or obtaining any contemplated agreements with other parties which are necessary for attaining any Milestone or which otherwise reasonably could be expected to materially threaten Seller’s ability to attain any Milestone.
- (ii) Any development or event in the financial markets or the independent power industry, any change in taxation or accounting standards or practices or in Seller’s business or prospects which reasonably could be expected to materially threaten financing of the Units or related Project, attainment of any Milestone or materially threaten any contemplated agreements with other parties which are necessary for attaining any Milestone or could otherwise reasonably be expected to materially threaten Seller’s ability to attain any Milestone;
- (iii) A change in, or discovery by Seller of, any legal or regulatory requirement which would reasonably be expected to materially threaten Seller’s ability to attain any Milestone;
- (iv) Any material change in the Seller’s schedule for initiating or completing any material aspect of Project;
- (v) The status of any matter or issue identified as outstanding in any prior Monthly Construction Progress Report and any material change in the Seller’s proposed actions to remedy or overcome such matter or issue.

Seller shall complete, certify, and deliver this form of Monthly Construction Progress Report to Buyer, together with all attachments and exhibits.

For the purpose of this report, “EPC Contractor” means the contractor responsible for engineering, procurement and construction of the Project, including Seller if acting as contractor, and including all subcontractors.

APPENDIX IV

PROJECT DESCRIPTION INCLUDING DESCRIPTION OF SITE

PROJECT DESCRIPTION

Project name: Greengate Blackspring Ridge IA Wind Project

Project Site name: Blackspring Ridge IA Wind Project

Project physical address: Not Available

Total number of Units at the Project (committed and not committed to Buyer)

83 Units (all committed to Buyer)

Technology Type: Vestas V90, 1.8 MW

Substation: Blackspring Ridge 485S Substation

The term "Site" as defined in the Agreement means an unspecified area of real property within the following parcel descriptions to be further described by Seller pursuant to Section 3.1(g)(iv) of the Agreement:

<u>Qtr/Sec/Twp/Rge/Mer</u>	<u>Qtr/Sec/Twp/Rge/Mer</u>	<u>Qtr/Sec/Twp/Rge/Mer</u>	<u>Qtr/Sec/Twp/Rge/Mer</u>
NW 10-14-22 W4M	SE 11-14-21 W4M	NE 6-14-21 W4M	NE 10-13-22 W4M
NE 15-14-22 W4M	SW 11-14-21 W4M	NE 7-14-21 W4M	NW 33-13-22 W4M
NW 15-14-22 W4M	NW 11-14-21 W4M	SW 7-14-21 W4M	SE 9-13-22 W4M
SW 8-14-22 W4M	SE 25-14-22 W4M	NW 7-14-21 W4M	NW 26-13-22 W4M
NW 9-14-22 W4M	SE 24-14-22 W4M	NE 3-14-22 W4M	SW 23-14-22 W4M
NE 25-13-22 W4M	NE 24-14-22 W4M	SW 6-14-21 W4M	SW 19-13-22 W4M
SW 10-14-22 W4M	SE 26-14-22 W4M	NW 6-14-21 W4M	SE 25-13-22 W4M
SW 15-14-22 W4M	NW 2-14-21 W4M	NE 11-14-22 W4M	SW 25-13-22 W4M
NE 9-14-22 W4M	NE 13-14-22 W4M	SE 22-14-22 W4M	NE 18-13-22 W4M
NW 14-14-22 W4M	NE 19-14-21 W4M	SE 21-14-22 W4M	SW 19-13-21 W4M
SE 8-14-22 W4M	NW 19-14-21 W4M	NW 15-13-22 W4M	NW 19-13-21 W4M
SW 36-13-22 W4M	NE 25-14-22 W4M	SE 24-13-23 W4M	SE 34-13-22 W4M
NE 36-13-22 W4M	NW 1-14-22 W4M	NE 24-13-23 W4M	SE 14-14-22 W4M
SE 36-13-22 W4M	NW 12-14-22 W4M	NE 27-13-22 W4M	NE 16-14-22 W4M
NW 36-13-22 W4M	NW 32-13-22 W4M	NW 25-13-22 W4M	SE 7-14-21 W4M
SW 2-14-22 W4M	NE 1-14-22 W4M	NE 4-14-22 W4M	SW 12-14-22 W4M
NW 36-13-22 W4M	SW 19-14-21 W4M	NW 4-14-22 W4M	SE 27-13-22 W4M
NW 31-13-21 W4M	NW 24-14-22 W4M	SE 35-13-22 W4M	SW 20-13-22 W4M
NE 23-13-22 W4M	SW 21-14-21 W4M	SW 16-14-22 W4M	SW 30-13-22 W4M
SW 31-13-21 W4M	NW 20-14-21 W4M	NW 16-14-22 W4M	SW 33-13-21 W4M
SW 24-13-22 W4M	NW 21-14-21 W4M	NE 35-13-22 W4M	NE 32-13-21 W4M
NE 33-13-22 W4M	SW 9-14-22 W4M	SW 35-13-22 W4M	NW 28-13-21 W4M
NW 23-13-22 W4M	NE 2-14-21 W4M	NW 35-13-22 W4M	NE 36-13-23 W4M
NW 22-13-22 W4M	SE 23-14-22 W4M	NE 15-13-22 W4M	NW 28-13-21 W4M
NW 5-14-21 W4M	NE 14-14-22 W4M	SW 22-14-22 W4M	SE 3-14-21 W4M
SW 22-13-22 W4M	SW 13-14-22 W4M	SE 17-13-22 W4M	SW 10-14-21 W4M
NW 12-14-23 W4M	SW 25-14-22 W4M	NW 11-14-22 W4M	SW 10-14-21 W4M
NW 2-14-22 W4M	SE 2-14-21 W4M	SE 16-14-22 W4M	SE 10-14-21 W4M

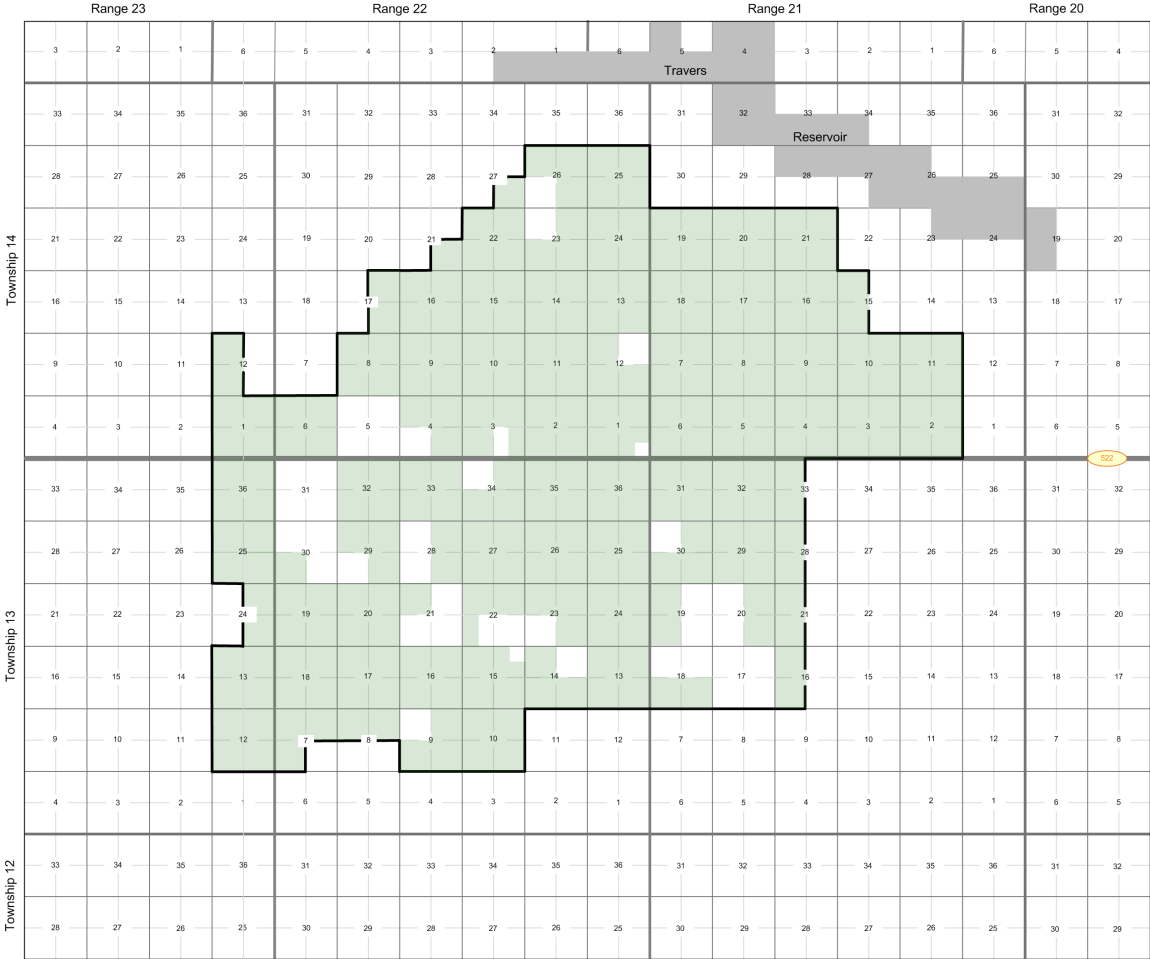
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SE 28-13-22 W4M	SE 18-14-21 W4M	NE 24-13-22 W4M	NW 32-13-21 W4M
SW 33-13-22 W4M	NE 11-14-21 W4M	SE 11-14-22 W4M	SW 34-13-22 W4M
NE 22-13-22 W4M	NE 26-14-22 W4M	NE 25-13-23 W4M	SW 10-14-21 W4M
SW 11-14-22 W4M	SW 14-13-22 W4M	SE 24-13-22 W4M	NW 33-13-21 W4M
SW 1-14-23 W4M	SW 29-13-21 W4M	NW 4-14-21 W4M	NE 3-14-21 W4M
SE 20-13-22 W4M	NE 20-13-22 W4M	NE 20-13-21 W4M	NW 3-14-21 W4M
NE 28-13-22 W4M	SW 16-13-22 W4M	SE 8-14-21 W4M	SE 19-13-22 W4M
SE 28-13-22 W4M	NW 21-13-21 W4M	NE 8-14-21 W4M	SE 29-13-22 W4M
SW 5-14-21 W4M	SW 25-13-23 W4M	SW 17-14-21 W4M	SW 27-13-22 W4M
SE 5-14-21 W4M	SE 36-13-23 W4M	NE 30-13-21 W4M	NW 10-14-21 W4M
NE 5-14-21 W4M	NE 29-13-21 W4M	SE 31-13-21 W4M	SE 19-13-22 W4M
NE 20-14-21 W4M	SE 16-13-22 W4M	SW 30-13-21 W4M	NW 19-13-22 W4M
SW 1-14-22 W4M	SE 18-13-21 W4M	SE 27-14-22 W4M	SW 4-14-21 W4M
SW 1-14-22 W4M	NE 10-14-21 W4M	NW 22-14-22 W4M	NW 21-13-22 W4M
NW 1-14-23 W4M	SW 21-13-21 W4M	NE 13-13-22 W4M	NW 27-13-22 W4M
NE 1-14-23 W4M	NW 16-13-21 W4M	NW 13-13-22 W4M	SW 16-13-21 W4M
SE 1-14-23 W4M	SW 35-13-22 W4M	SW 16-14-21 W4M	SW 33-13-21 W4M
SW 12-14-23 W4M	SE 20-13-21 W4M	NE 22-14-22 W4M	NW 9-14-21 W4M
SE 1-14-22 W4M	NE 26-13-22 W4M	NE 29-13-22 W4M	NE 17-13-22 W4M
NW 26-14-22 W4M	SW 12-13-23 W4M	SE 32-13-22 W4M	NW 17-13-22 W4M
SE 9-14-22 W4M	SW 28-13-21 W4M	SW 26-13-22 W4M	SE 15-13-22 W4M
NW 14-13-22 W4M	SE 19-13-22 W4M	NE 8-13-22 W4M	NW 29-13-21 W4M
NW 29-13-22 W4M	NW 19-13-22 W4M	NW 16-13-22 W4M	SW 3-14-21 W4M
NE 29-13-22 W4M	NW 7-13-22 W4M	SE 33-13-22 W4M	SW 10-13-22 W4M
SW 32-13-22 W4M	SW 19-13-22 W4M	NE 8-14-22 W4M	SE 12-13-23 W4M
NE 17-14-21 W4M	NW 18-13-22 W4M	NW 8-13-22 W4M	SE 6-14-22 W4M
SE 1-14-22 W4M	SW 18-13-22 W4M	SW 17-13-22 W4M	NE 6-14-22 W4M
NW 17-14-21 W4M	SE 12-14-22 W4M	SW 15-14-21 W4M	NW 16-13-21 W4M
SE 20-14-21 W4M	NW 20-13-22 W4M	SW 8-14-21 W4M	NE 10-14-21 W4M
SW 24-14-22 W4M	NE 32-13-22 W4M	NW 8-14-21 W4M	SE 18-13-22 W4M
SE 3-14-22 W4M	SE 26-13-22 W4M	SE 30-13-21 W4M	NW 10-13-22 W4M
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NW 25-14-22 W4M	NE 9-13-22 W4M	NW 36-13-23 W4M	NW 12-13-23 W4M
SW 20-14-21 W4M	NW 3-14-22 W4M	NW 25-13-23 W4M	SW 6-14-22 W4M
SE 19-14-21 W4M	SE 17-14-22 W4M	NW 16-14-21 W4M	NE 19-13-22 W4M
SE 21-14-21 W4M	NE 17-14-22 W4M	SW 36-13-23 W4M	NE 7-13-22 W4M
SE 1-14-22 W4M	SE 4-14-22 W4M	NE 34-13-22 W4M	SW 7-13-22 W4M
SW 1-14-22 W4M	NW 36-13-22 W4M	SE 14-13-22 W4M	NW 13-13-23 W4M
SW 24-13-22 W4M	SE 25-13-23 W4M	NE 4-14-21 W4M	SW 13-13-23 W4M
SW 13-13-22 W4M	NE 16-14-21 W4M	SW 9-13-22 W4M	NE 13-13-23 W4M
NW 13-14-22 W4M	SE 17-14-21 W4M	NE 16-13-22 W4M	SE 13-13-23 W4M
SW 18-14-21 W4M	SW 18-13-21 W4M	NW 8-14-22 W4M	NE 12-13-23 W4M
SE 13-14-22 W4M	NE 31-13-21 W4M	SW 16-13-22 W4M	SW 15-13-22 W4M
NE 21-14-21 W4M	SE 2-14-22 W4M	NW 15-14-21 W4M	SE 23-13-22 W4M
SW 3-14-22 W4M	NE 2-14-22 W4M	SE 4-14-21 W4M	SE 29-13-21 W4M
NE 13-13-22 W4M	SW 14-14-22 W4M	SE 9-14-21 W4M	SW 32-13-21 W4M
NE 23-14-22 W4M	SE 10-14-22 W4M	NE 9-14-21 W4M	SE 32-13-21 W4M
NW 18-14-21 W4M	NE 10-14-22 W4M	SE 16-14-21 W4M	SW 9-14-21 W4M
SW 2-14-21 W4M	SE 15-14-22 W4M	SE 12-14-22 W4M	NW 26-14-22 W4M

NE 18-14-21 W4M	SE 6-14-21 W4M	SE 10-13-22 W4M	
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The nameplate capacity of the Project is 149.4 MW.

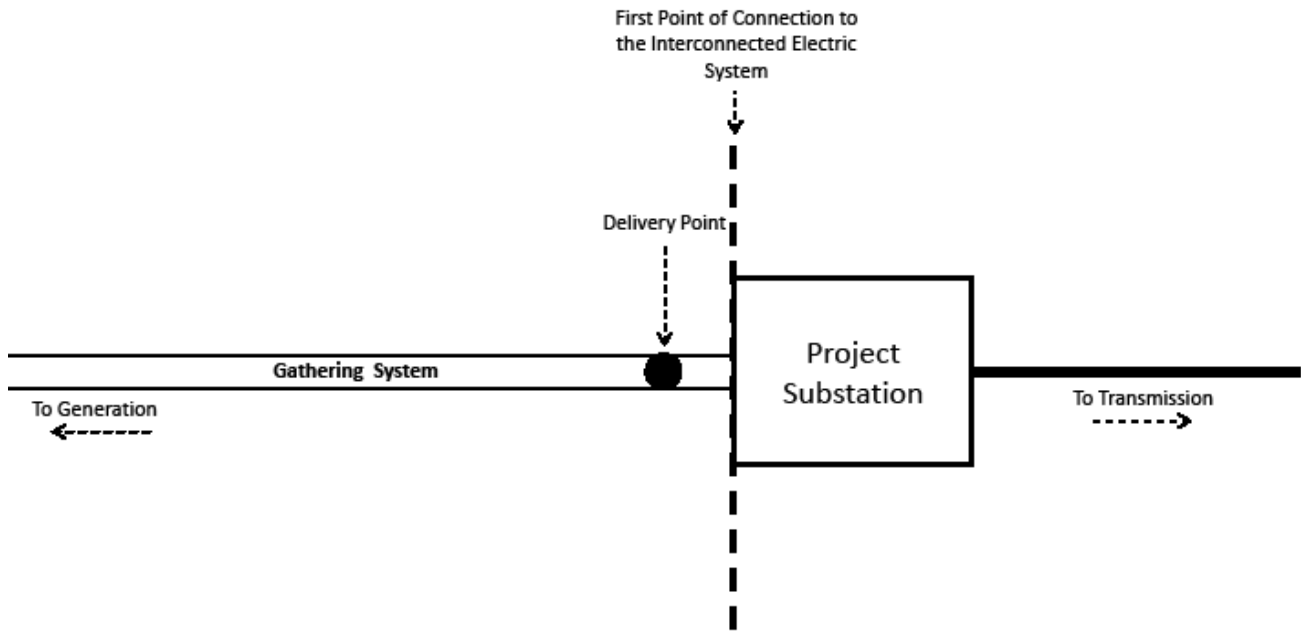
The Units utilized as generation assets as part of the Project is described below:
Vestas V90, 1.8 MW



APPENDIX IV – Attachment A

DELIVERY POINT DIAGRAM

Appendix IV – Attachment A
Delivery Point Diagram



APPENDIX V

DELIVERY TERM CONTRACT QUANTITY SCHEDULE

Contract Year	Contract Quantity (MWh)
1-20	445,446

APPENDIX VI

COMMERCIAL OPERATION CERTIFICATION PROCEDURE

Seller shall give the Buyer a Notice of the Seller's proposed Commercial Operation Date no later than five (5) Business Days prior to the proposed Commercial Operation Date.

The Commercial Operation Date shall occur after all of the following conditions have been satisfied:

1. The gross installed capacity of the Project, without adjustment for auxiliary loads, station electrical uses, and Electrical Losses, is at least eighty percent (80%) of the Original Contract Capacity associated with the Project and the Project is operating and able to produce and deliver Energy to the Delivery Point.
2. All necessary Interconnection Facilities have been installed, tested and are able to accept and transmit the Energy to the Interconnection Point in a safe and reliable manner.
3. Seller has delivered to Buyer a true and correct copy of the "Mechanical Completion Certificate" received from the turbine supplier for each wind turbine that has been commissioned in accordance with the terms of Seller's turbine supply agreement.
4. All systems necessary for the operation of the wind turbines commissioned under Section 3 above are complete, any testing of the commissioned wind turbines required pursuant to any interconnection agreement with the Transmission Provider to allow for parallel operation of the Project has been completed, and the Project is available for operation in all material respects in accordance with applicable Law.
5. Seller shall have delivered to Buyer a "Commercial Operation Date Certification" signed by an officer of Seller certifying that the requirements of Sections 1 through 4 of this Appendix have been satisfied with respect to the Project and each installed wind turbine.

APPENDIX VI –Attachment A

FORM OF CERTIFICATION

This certification (“Certification”) is delivered by _____ (“Seller”) to Pacific Gas and Electric Company (“Buyer”) in accordance with the terms of that certain Power Purchase Agreement dated _____ (“Agreement”) by and between Seller and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement. Seller hereby certifies and represents to Buyer the following:

For Construction Start Date Certification:

As contemplated by Section 1.25 of the Agreement, Seller has delivered the Notice to Proceed.
OR

For Commercial Operation Date Certification:

As contemplated by Section 5 of Appendix VI of the Agreement, Seller has satisfied the requirements of Sections 1 through 4 of Appendix VI with respect to the Project and Sections 2 through 4 of Appendix VI with respect to each wind turbine commissioned, and a Licensed Professional Engineer agrees and acknowledges that, as to technical matters only, Seller has demonstrated satisfactory completion of the requirements of Sections 1, 2 and 4 of Appendix VI and the gross installed capacity of the Project, without adjustment for auxiliary loads, station electrical uses, and Electrical Losses, is [_____] MW.

[Seller]

By: _____
Printed Name: _____
Title: _____
Date: _____

[Seller to include the following for a Commercial Operation Date Certification]

Accepted and Acknowledged by Licensed Professional Engineer:

[Entity Name]
By: _____
Printed Name: _____
Title: _____
Date: _____

APPENDIX VII

GEP DAMAGES CALCULATION

In accordance with the provisions in Section 3.1(e)(ii), GEP Damages means the liquidated damages payment due by Seller to Buyer, calculated as follows:

$$[(A - B) \times C]$$

Where:

A = the Guaranteed Energy Production for the Performance Measurement Period, in MWh

B = Sum of Delivered Energy over the Performance Measurement Period, in MWh

C = Replacement Price for the Performance Measurement Period, in \$/MWh, which shall be the then-current market value of Green Attributes as determined by using the average of market quotations provided by three (3) or more bona fide unaffiliated market participants, if available. If the number of available quotes is three, then the average of the three quotes shall be deemed to be the market price. Where a quote is in the form of bid and ask prices, the price that is to be used in the averaging is the midpoint between the bid and ask price. The quotes obtained shall be: (a) for a like amount, (b) of the same Product, (c) at the same Delivery Point, (d) for the remaining Delivery Term, and (e) any other commercially reasonable manner. Third parties supplying information for purposes of determining the market value of Green Attributes may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information.

The Parties agree that in the above calculation of GEP Damages, the value of "C" shall not be less than \$28/MWh, nor more than \$50/MWh.

APPENDIX VIII

NOTIFICATION REQUIREMENTS FOR AVAILABLE CAPACITY

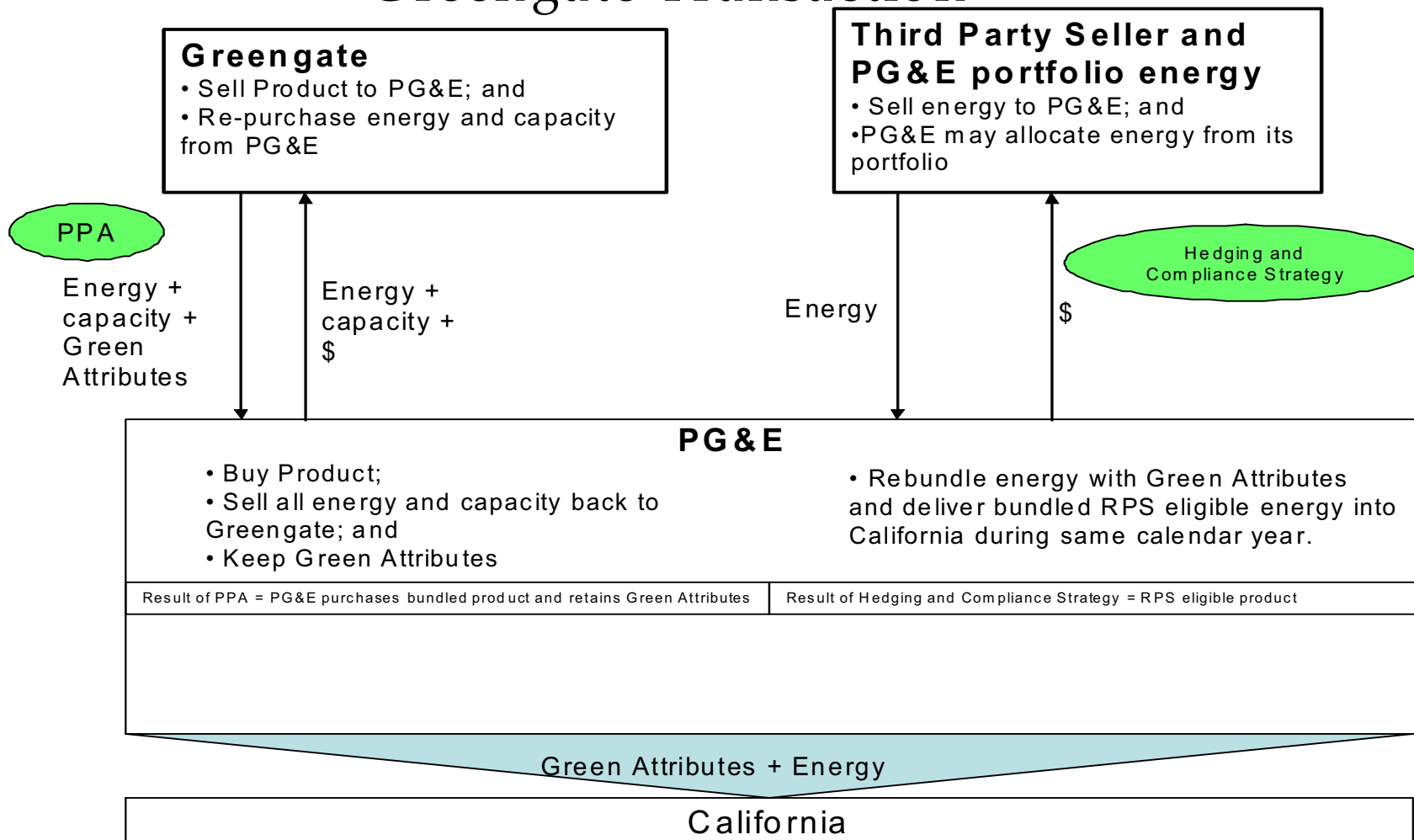
A. INTENTIONALLY OMITTED

B. SUBMISSION OF AVAILABLE CAPACITY AND PROJECT OUTAGES

1. Submit information by posting to PG&E's Power Procurement Information Center, which is located at www.pge.com under "For My Business." After selecting "Wholesale Power" on the right side of the page, select "Electric Procurement" along the left banner. After selecting the Power Procurement Information Center icon in the middle of the page, you will be required to enter a username and password, which will be assigned to you by PG&E's Bilateral Settlements Group.
2. If the website is unavailable, implement the procedures set forth below:
 - a. **For all email correspondence, enter the following in the email subject field: Delivery Date Range, Contract Name, Email Purpose (For example: "dd/mm/yyyy - dd/mm/yyyy XYZ Company Project #2 Daily Forecast of Available Capacity")**
 - b. For Annual Forecasts of Available Capacity, email to DAenergy@pge.com and Bilat_Settlements@pge.com.

APPENDIX IX
DELIVERY STRUCTURE DIAGRAM

Greengate Transaction



APPENDIX X
INTENTIONALLY OMITTED

APPENDIX XI

NOTICES LIST

Name: Blackspring Ridge IA Wind Project LP,
a Limited Partnership created under the laws of
the Province of Alberta ("Seller")
All Notices:

Delivery Address:

Greengate Power Corporation
Suite 710 – 407, 2nd St. SW
Calgary, Alberta T2P 2Y3

Mail Address: (if different from above)

Attn: [REDACTED]
[REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

DUNS:
Federal Tax ID Number:

Invoices:

Attn: [REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

Scheduling:

Attn: [REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

Payments:

Attn: [REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

Wire Transfer:

[REDACTED]

Name: Pacific Gas and Electric Company, a California
corporation
("Buyer" or "PG&E")
All Notices:

Delivery Address:

77 Beale Street, Mail Code N12E
San Francisco, CA 94105-1702

Mail Address:

P.O. Box 770000, Mail Code N12E
San Francisco, CA 94177
Attn: Candice Chan (CWW9@pge.com)
Director, Contract Mgmt & Settlements

Phone: (415) 973-7780
Facsimile: (415) 973-5507

DUNS: [REDACTED]
Federal Tax ID Number: 94-0742640

Invoices:

Attn: Amol Patel (AxPx@pge.com)

Manager, Bilateral Settlements
Phone: (415) 973-6510
Facsimile: (415) 973-2151

Scheduling:

Attn: Kevin F. Coffee (kfc1@pge.com)

Phone: (415) 973-7631
Facsimile: (415) 973-0400

Payments:

Attn: Amol Patel (AxPx@pge.com)

Manager, Bilateral Settlements
Phone: (415) 973-6510
Facsimile: (415) 973-2151

Wire Transfer:

BNK: [REDACTED]

EXECUTION COPY

[REDACTED]

ABA: [REDACTED]
ACCT: [REDACTED]
Acct Title: [REDACTED]

Credit and Collections:

Attn: [REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

Credit and Collections:

Attn: David Medrano (D6MD@pge.com)
Manager, Credit Risk Management
Phone: (415) 973-9099
Facsimile: (415) 973-7301

With additional Notices of an Event of Default
to Contract Manager:

Attn: [REDACTED]
[REDACTED]
Phone: [REDACTED]
Facsimile: [REDACTED]

Contract Manager:

Attn: Chad Curran (CRCq@pge.com)
Manager, Contract Management
Phone: (415) 973-6105
Facsimile: (415) 972-5507

With additional Notices of an Event of Default to:

PG&E Law Department
Attn: Renewables Portfolio Standard attorney
Phone: (415) 973-4377
Facsimile: (415) 972-5952

APPENDIX XII
INTENTIONALLY OMITTED

APPENDIX XIII

SELLER DOCUMENTATION CONDITION PRECEDENT

Seller shall provide to Buyer (i) all of the following documentation prior to the Execution Date and (ii) the officer's certificate as required pursuant to Section 2.4(a)(iv) dated as of the Execution Date with respect to the following:

1. A copy of each of (A) the articles of incorporation, certificate of incorporation, operating agreement or similar applicable organizational document of Seller and (B) the by-laws or other similar document of Seller (collectively, "Charter Documents").
2. A certificate signed by an authorized officer of Seller certifying (A) that attached thereto is a true and complete copy of the Charter Documents of the Seller, as in effect at all times from the date on which the resolutions referred to in clause (B) below were adopted to and including the date of such certificate; (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or other equivalent body) or evidence of all corporate or limited liability company action, as the case may be, of Seller, authorizing the execution, delivery and performance of this Agreement, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, and (C) as to the name, incumbency and specimen signature of each officer of Seller executing this Agreement.
3. A certificate from the jurisdiction of Seller's incorporation or organization certifying that Seller is duly organized, validly existing and in good standing under the laws of such jurisdiction.
4. Copies of leases with redacted price terms demonstrating that Seller has the right to develop a wind project at the Site.
5. Evidence that Seller has submitted a written request to the CEC for CEC Certification and Verification (pre-certification) of the Project.
6. A copy of the most recent financial statements (which may be unaudited) from Seller together with a certificate from the Chief Financial or equivalent officer of Seller, to the effect that, to the best of such officer's knowledge, (A) such financial statements are true, complete and correct in all material respects and (B) there has been no material adverse change in the financial condition, operations, Properties, business or prospects of Seller since the date of such financial statements.