SECOND AMENDMENT OF POWER PURCHASE AGREEMENT

This SECOND AMENDMENT OF POWER PURCHASE AGREEMENT (this "Second Amendment") is made as of the Second Amendment Effective Date (defined below), by and between Pacific Gas and Electric Company ("Buyer") and Sierra Pacific Industries, a California corporation ("Seller" and collectively with Buyer, the "Parties"). Buyer and Seller are Parties to that certain Power Purchase Agreement dated August 9, 2012, as amended on September 5, 2013 (collectively the "Agreement").

RECITALS

WHEREAS, the Parties have heretofore entered into the Agreement;

WHEREAS, the CPUC considered the safety of the Project and Seller's safety obligations in the Agreement in the CPUC's Resolution E-4632 issued January 21, 2014;

WHEREAS, Parties wish to amend the Agreement as set forth below; and

WHEREAS, capitalized terms defined in the Agreement are used in this Second Amendment as defined in the Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

I. <u>Second Amendment to Agreement</u>. The Agreement is hereby amended by this Second Amendment, effective as of the last dated signature on the signature page hereto ("Second Amendment Effective Date"), as follows:

a. <u>Amendment to Article One</u>. The following defined terms shall be added to Article One as follows:

"Prevention Equipment" means equipment necessary to prevent, suppress or contain any fire, flooding, explosion, release of hazardous material or other injury or damage at the Site, to the Project, or to third parties.

"Protective Apparatus" means control devices (such as meters, relays, power circuit breakers, synchronizers, pressure relief valves, and pressure regulators, as applicable) specified in the Interconnection Agreement or related agreement, Governmental Approvals, or as required under Good Utility Practice, for the Project.

b. <u>Amendment to Section 3.5(a)</u>. Section 3.5(a) shall be deleted in its entirety and replaced with the following:

(a) General Operation. During the Term,

(i) Seller shall comply with all applicable requirements of Law, Government Approvals, the CAISO, NERC and WECC relating to the Project (including those related to construction, ownership, maintenance, and/or operation of the Project).

(ii) Seller shall inspect, maintain, and repair the Project and, if necessary, replace, Protective Apparatus and Prevention Equipment, and any portion thereof, in accordance with Law, Governmental Approvals and Good Utility Practice.

(iii) Seller shall maintain and make available to Buyer on an annual basis and upon request of Governmental Authorities, or any division thereof, records including logbooks, in a form acceptable to Buyer, demonstrating that the Project is constructed, owned, operated and maintained in accordance with Good Utility Practice, Laws, and Governmental Approvals, including CPUC General Order No. 167, "Enforcement of Maintenance and Operation Standards for Electric Generating Facilities", if applicable; provided that Seller shall provide Buyer with Notice along with relevant documentation within thirty (30) days of a safety or environmental event with respect to the Project or Governmental Approvals if the event is or was reportable to a Governmental Authority. Upon Buyer's request, Seller shall cooperate with Buyer and provide Buyer with the means for Buyer to verify the records, data or documentation provided by Seller pursuant to this Section 3.5(a)(iii). Buyer may provide such information and verification to the CPUC.

c. <u>Amendment to Section 3.9(a)</u>. Section 3.9(a) shall be amended by inserting a new subsection (vii) as follows:

(vii) As required to construct, own, operate, or maintain the Project, furnish and install all Prevention Equipment and Protective Apparatus necessary for proper and safe operation of the Project.

d. <u>Amendment to Section 5.1(b)(ix</u>). Section 5.1(b) shall be amended by inserting a new subsection (ix) as follows:

(ix) failure by Seller to comply with its obligations under Section 3.9(a)(vii) with respect to the Prevention Equipment or Protective Apparatus; provided however that Seller shall have thirty (30) days from receipt of the Notice to cure its failure to comply with the provisions of Section 3.9(a)(vii).

II. <u>Miscellaneous</u>.

a. <u>Effect of Amendment</u>. The Agreement, as modified by this Second Amendment, remains in effect in accordance with its terms. If there is any conflict between the Agreement and this Second Amendment, this Second Amendment shall control.

b. <u>Entire Agreement</u>. This Second Amendment along with the Agreement constitutes the entire agreement between the Parties relating to the subject matter thereof and shall supersede all

other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter thereof.

c. <u>Governing Law</u>. This Second Amendment shall be governed by Section 10.12 of the Agreement. The Parties agree to comply with Article Twelve of the Agreement with respect to any dispute relating to this Second Amendment.

d. <u>Captions; Construction</u>. The headings used for the sections and articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Second Amendment. Any term and provision of this Second Amendment shall be construed simply according to its fair meaning and not strictly for or against any Party. The Parties collectively have prepared this Second Amendment, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Second Amendment or any part hereof.

e. <u>Counterparts</u>. This Second Amendment 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 Second Amendment. Delivery of an executed counterpart of this Amendment by fax or PDF will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Second Amendment by facsimile or PDF will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Second Amendment will not affect the validity or effectiveness of this Second Amendment.

f. <u>Any Amendments or Modifications</u>. This Second Amendment may only be amended or modified in writing signed by each of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to the Agreement to be duly executed by its authorized representatives, as of the day and year written below. This Second Amendment shall not become effective as to either Party unless and until executed by both Parties.

SIERRA PACIFIC INDUSTRIES a California corporation

Name: George Emmerson Title: President

Date: $\mathcal{A}/14/14$

PACIFIC GAS AND ELECTRIC COMPANY a California corporation

Name: Donald P. Howerton Title: Director, Renewable Transactions

Date: 2/18/14