



**Pacific Gas and  
Electric Company**

Donald P. Howerton  
Director  
Renewable Energy Procurement

77 Beale Street, 25<sup>th</sup> Floor  
San Francisco, CA 94105

*Mailing Address:*  
Mail Code B25J  
P.O. Box 770000  
San Francisco, CA 94177

Phone: 415.973.7000

May 3, 2016

David R. Branchcomb  
Power Contracts  
Sierra Pacific Industries  
19794 Riverside Avenue  
Anderson, CA 96007

RE: Amended and Restated Renewable Energy Credit Purchase and Sale Agreement with Sierra Pacific Industries, PG&E Log No. 33R091

Dear Mr. Branchcomb:

Pacific Gas and Electric Company ("PG&E" or "Buyer") and Sierra Pacific Industries ("SPI" or "Seller") are parties to that certain Amended and Restated Renewable Energy Credit Purchase and Sale Agreement dated March 31, 2011, as amended on November 1, 2012 ("Agreement"). All capitalized terms used but not defined herein shall have the meanings provided to them in the Agreement.

Section 4.2 (c) of the Agreement states that Buyer shall return the unused portion of Delivery Term Security within thirty (30) days after the Satisfaction Date, but defines Satisfaction Date in Section 2.1(a) as occurring when the parties have fulfilled obligations of the Transaction including Delivery of Product produced or generated prior to the end of the Delivery Term, payment in full of amounts due for Product Delivered pursuant to the terms thereof, the Settlement Amount, or other damages and the undrawn portion of Delivery Term Security. Both parties agree that certain provisions should be amended.

By executing this Letter Agreement, the Parties agree to amend the Agreement by adding the following defined term:

"REC Delivery Completion Date" means the date on which Seller completes delivery of Product to Buyer.

Additionally, Section 4.2(c) will be deleted in its entirety and replaced with the following:

4.2(c) 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 4.2(b) above within thirty (30) days after the later of (1) the REC Delivery Completion Date or (2) the final payment in full of amounts due for Product Delivered pursuant to the terms hereof.

The Parties further agree that Section 2.1(b) will be deleted in its entirety and replaced with the following:

2.1(b) Survival. Notwithstanding anything to the contrary in this Agreement, all rights under Section 3.4 (Indemnity) and any other indemnity rights shall survive for an additional twelve (12) months after the later of (1) Satisfaction Date or (2) the end of the Term.

Notwithstanding Section 2.1, the Parties agree to terminate the Agreement upon return of Delivery Term Security.

This Letter Agreement is not intended to be, nor shall it be construed as, a waiver of any of PG&E or Seller's rights or remedies under the Agreement, either at law or in equity.

PG&E requests the Seller confirm its agreement to the foregoing by executing this letter agreement, emailing an executed copy to MYF3@pge.com, and returning the original, executed letter to Marie Fontenot at the above-referenced address.

Please contact me with any questions or comments.

Regards,



Donald P. Howerton  
Director, Renewable Energy Transactions

Acknowledged and Agreed to by: Sierra Pacific Industries  
Date: May 9, 2016

Sierra Pacific Industries

By: \_\_\_\_\_

George Emmerson

Its:     C.E.O.