

FIRST AMENDMENT TO THE JUNE 2, 2008 POWER PURCHASE AGREEMENT BETWEEN TUNNEL HILL HYDRO LLC, AND PACIFIC GAS AND ELECTRIC COMPANY WITH RESPECT TO THE TUNNEL HILL HYDROELECTRIC PROJECT

THIS FIRST AMENDMENT ("First Amendment") is entered into by and between PACIFIC GAS AND ELECTRIC COMPANY ("PG&E") and TUNNEL HILL HYDRO LLC ("Tunnel Hill"). PG&E and Tunnel Hill may be referred to herein individually as "Party" and collectively as "Parties." All capitalized terms not defined herein shall have the meaning set forth in the PPA, as defined below.

RECITALS

Whereas, Tunnel Hill and PG&E are parties to the certain Power Purchase Agreement, dated June 2, 2008 ("PPA");

Whereas the Parties desire to amend the PPA in order to reflect a longer Delivery Term;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, PG&E and Tunnel Hill agree as follows.

1. Amendment of the PPA


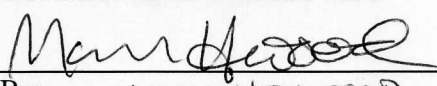
(a) The first sentence of Section 2.3 of the PPA, Delivery Term, shall be deleted and replaced with the following:

"The Seller shall deliver the energy and capacity from the Facility to PG&E for a period of twenty (20) Contract Years ("Delivery Term"), which shall commence on the first date on which energy is delivered from the Facility to PG&E ("Initial Energy Delivery Date") under this Agreement and continue until the end of the last Contract Year unless terminated by the terms of this Agreement."

2. No Other Modifications

No provision of the PPA or the Confirmation other than the terms addressed in this First Amendment shall be deemed modified, amended, waived, or otherwise affected by this First Amendment. If there is a conflict between the terms of the PPA or the Confirmation, and those of the First Amendment, this First Amendment shall control.

IN WITNESS WHEREOF, each party has caused this First Amendment to be executed by its authorized representative, effective as of this 18 day of February, 2009 (the "First Amendment Execution Date"). By signing this First Amendment, the representatives of the Parties warrant that they have requisite authority to bind their respective principals.

<p>PACIFIC GAS AND ELECTRIC COMPANY</p>  <p>By: Roy M. Kuga Title: VP - Energy Supply Date: 2/12/09</p>	<p>TUNNEL HILL HYDRO LLC</p>  <p>By: MARK HENWOOD Title: Manager Date: 2/18/09</p>
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