EXECUTION COPY

POWER PURCHASE AGREEMENT

Between

PACIFIC GAS AND ELECTRIC COMPANY
(as "Buyer")

and

VANTAGE WIND ENERGY LLC
(as "Seller")

POWER PURCHASE AGREEMENT

TABLE OF CONTENTS

PREAMBLE

GENERAL TERMS AND CONDITIONS

ARTICLE ONE: GENERAL DEFINITIONS 1
ARTICLE TWO: GOVERNING TERMS AND TERM 16
2.1 Entire Agreement 16
2.2 Interpretation 16
2.3 Authorized Representatives 17
2.4 Recording 17
2.5 Term 17
2.6 Binding Nature 18
ARTICLE THREE: OBLIGATIONS AND DELIVERIES 18
3.1 Seller's and Buyer's Obligations 18
3.2 Green Attributes 25
3.3 Resource Adequacy 25
3.4 Transmission and Scheduling 26
3.5 Standards of Care 29
3.6 Metering 29
3.7 Outage Notification 30
3.8 Operations Logs and Access Rights 34
3.9 New Generation Facility 34
ARTICLE FOUR: COMPENSATION; MONTHLY PAYMENTS 37
4.1 Contract Price 37
4.2 Excess Delivered Energy 37
4.3 Additional Compensation 38
ARTICLE FIVE: EVENTS OF DEFAULT; PERFORMANCE REQUIREMENT; REMEDIES 38
5.1 Events of Default 38
5.2 Declaration of Early Termination Date 39
5.3 Calculation of Termination Payment 39
5.4 Notice of Payment of Termination Payment 40

5.5 Disputes With Respect to Termination Payment 40
5.6 Rights And Remedies Are Cumulative 40
ARTICLE SIX: PAYMENT 40
6.1 Billing and Payment; Remedies 40
6.2 Disputes and Adjustments of Invoices 40
ARTICLE SEVEN: LIMITATIONS 41
7.1 Limitation of Remedies, Liability and Damages 41
ARTICLE EIGHT: CREDIT AND COLLATERAL REQUIREMENTS 41
8.1 Buyer Financial Information 41
8.2 Seller Financial Information 42
8.3 Grant of Security Interest/Remedies 42
8.4 Performance Assurance 42
8.5 Letter of Credit 44
ARTICLE NINE: GOVERNMENTAL CHARGES 44
9.1 Cooperation 44
9.2 Governmental Charges 44
ARTICLE TEN: MISCELLANEOUS 45
10.1 Intentionally Omitted 45
10.2 Representations and Warranties 45
10.3 Covenants 46
10.4 Title and Risk of Loss 47
10.5 Indemnities 47
10.6 Assignment 48
10.7 Confidentiality 49
10.8 RPS Confidentiality 49
10.9 Audit 49
10.10 Insurance 50
10.11 Access to Financial Information 53
10.12 Governing Law 53
10.13 General 53
10.14 Severability 53
10.15 Counterparts 54
ARTICLE ELEVEN: CONDITIONS PRECEDENT 54

11.1 Conditions Precedent 54
11.2 Failure to Meet All Conditions Precedent 54
ARTICLE TWELVE: DISPUTE RESOLUTION 54
12.1 Intent of the Parties 54
12.2 Management Negotiations 54
12.3 Mediation 55
12.4 Arbitration 55
ARTICLE THIRTEEN: NOTICES 56

APPENDICES

The following Appendices constitute a part of this Agreement and are incorporated into this Agreement by reference:

Appendix I Form of Letter of Credit
Appendix II Initial Energy Delivery Date Confirmation Letter
Appendix III Milestones Schedule
Appendix IV Project Description Including Description of Site
Appendix V Form of Certification
Appendix VI Commercial Operation or Partial Commercial Operation Certification Procedure
Appendix VII Form of Monthly Progress Report
Appendix VIII Notification Requirements for Outages
Appendix IX Form of Available Capacity Forecasting Provisions
Appendix X Resource Adequacy
Appendix XI Notices List
Appendix XII Form of Consent to Assignment
Appendix XIII Seller Documentation Condition Precedent
Appendix XIV Form of Actual Availability Report
Attachment 1 Availability Workbook
Appendix XV Delivery Structure Diagram

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 Vantage Wind Energy LLC, a Delaware limited liability company ("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 "AAA" has the meaning set forth in Section 12.3.

1.2 "Actual Availability Report" has the meaning set forth in Section 3.1(l)(i).

1.3 "Affiliate" means, with respect to any person, any other person (other than an individual) that (i) directly or indirectly, through one or more intermediaries, controls, or is controlled by such person or (ii) is under common control with such person. 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.

1.4 "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.

1.5 "Arbitration" has the meaning set forth in Section 12.3.

1.6 "As-Available Product" means a Product for which, subject to the terms of this Agreement, (i) Seller is obligated to sell and deliver and (ii) 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 and delivered to the Delivery Point.

1.7 "Availability Workbook" has the meaning set forth in Appendix XIV.

1.8 "Bankrupt" means with respect to any entity, such entity (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 has any such petition filed or commenced against it, (b) makes an assignment or any general arrangement for the benefit of creditors, (c) otherwise becomes bankrupt or insolvent (however evidenced), (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.

1.9 "BPA" means Bonneville Power Administration or any successor entity.

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 or by whom the Notice or payment or delivery is to be received, as applicable.

1.11 "Buyer" has the meaning set forth in the Preamble.

1.12 "Buyer's Notice" has the meaning set forth in Section 3.7(e)(ii)(D)(I).

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

1.14 "California Renewables Portfolio Standard" means the renewable energy program and policies established by 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.

1.15 "CAISO" means the California Independent System Operator Corporation or any successor entity performing similar functions.

1.16 "Capacity Attributes" means any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Project, intended to value any aspect of the capacity of the Project to produce Energy or ancillary services, including, but not limited to, any accounting construct so that the full Contract Capacity of the Project may be counted toward a Resource Adequacy Requirement or any other measure by the CPUC, the CAISO, the FERC, or any other entity invested with the authority under federal or state Law, to require Buyer to procure, or to procure at Buyer's expense, Resource Adequacy or other such products.

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 receipt of final certification, 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 this Agreement.

1.19 "Change of Control" shall have the meaning set forth in Section 10.6(c).

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 (a) the Project is operating and able to produce Energy and capable of delivering Energy to Buyer pursuant to the terms of this Agreement, or (b) in the case of the Partial Commercial Operation Date, fifty-one (51) of sixty (60) Units are operating and able to produce Energy and capable of delivering 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 for the entire Project has commenced and (b) provides a Certification of Seller and

a Licensed Professional Engineer, substantially in the form attached hereto as Appendix V, demonstrating satisfactory completion of the Commercial Operation Certification Procedure as provided in Appendix VI hereto.

1.23 "Condition(s) Precedent" has the meaning set forth in Section 11.1.

1.24 "Construction Contract" means a contract with a Construction Contractor for the construction of the Project or any portion thereof.

1.25 "Construction Contractor" means a construction contractor, selected by Seller, with substantial experience in the scope of work of the Construction Contract with respect to power plants of the same type of facility as Seller's Project.

1.26 "Construction Cure Period" has the meaning set forth in Section 3.9(c)(iv).

1.27 "Construction Start Date" means the earlier to occur of the date on which Seller delivers to Buyer (i) a copy of the Notice to Proceed that Seller has delivered to a Construction Contractor for the Project, and (ii) a written Certification substantially in the form attached hereto as Appendix V.

1.28 "Contract Capacity" has the meaning set forth in Section 3.1(f).

1.29 "Contract Price" means the price in $U.S. (unless otherwise provided for) to be paid by Buyer to Seller for the purchase of the Product, as specified in Section 4.1.

1.30 "Contract Quantity" means the quantity of Delivered Energy to be delivered by Seller during each Contract Year, as set forth in Section 3.1(e), net of all Electrical Losses.

1.31 "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.

1.32 "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 a Terminated Transaction; and (b) all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of a Transaction. If Buyer is the Non-Defaulting Party, Costs will also include costs and expenses related to the termination of the Shaping Transaction, provided that Buyer's Costs as the Non-Defaulting Party shall not to exceed $5,000,000.

1.33 "CPUC" or "Commission or successor entity" means the California Public Utilities Commission, or successor entity.

1.34 "CPUC Amendment Approval" has the meaning set forth in Section 3.7(e)(ii)(D)(II).

1.35 "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.

1.36 "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.

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

1.38 "Daily Delay Damages" means with respect to a Guaranteed Project Milestone, an amount equal to (a) the Project Development Security amount posted, divided by (b) 120.

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

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

1.41 "Delivered Energy" means the Metered Energy delivered by Seller to the Delivery Point, net of all Electrical Losses.

1.42 "Delivery Point" means the point set forth in Section 3.1(d).

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

1.44 "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.

1.45 "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 "Distribution Upgrades" means the additions, modifications, and upgrades to the Transmission Provider's distribution system at or beyond the Interconnection Point to facilitate interconnection of the Project and render the transmission service necessary to effect Seller's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

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

1.49 "Early Termination Date" has the meaning set forth in Section 5.2.

1.50 "Effective Date" means the date on which all of the Conditions Precedent set forth in Section 11.1 have been satisfied or waived in writing by both Parties.

1.51 "Electrical Losses" means any transmission or transformation losses, if any, between the Transmission Provider's revenue meter and the Delivery Point.

1.52 "Electric System Upgrades" means any Network Upgrades, Distribution Upgrades, or Interconnection Facilities that are determined to be necessary by the Transmission Provider, as applicable, to physically and electrically interconnect the Project to the Transmission Provider's electric system for receipt of Energy at the Interconnection Point.

1.53 "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.

1.54 "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 1.76, "Green Attributes," the word "energy" shall have the meaning set forth in this definition.

1.55 "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.

1.56 "Event of Default" has the meaning set forth in Section 5.1.

1.57 "Exclusivity Period" has the meaning set forth in Section 3.7(e)(ii)(D).

1.58 "Execution Date" means the latest signature date found on the signature page of this Agreement.

1.59 "Executive(s)" has the meaning set forth in Section 12.2(a).

1.60 "Exempt Wholesale Generator" has the meaning provided in 18 CFR Section 366.1.

1.61 "Extended Delivery Term" has the meaning set forth in Section 3.7(e)(ii)(D).

1.62 "FERC" means the Federal Energy Regulatory Commission or any successor government agency.

1.63 "Final Output Report" means the unabridged and unredacted final report concerning the Energy producing potential of the Site, inclusive of anticipated Forced Outages on an annual basis, prepared by Garrad Hassan America, Inc., or other wind consultant as mutually agreed to by the Parties, who shall be retained by Seller, which report shall be provided to Buyer as set forth in Section 3.9(a)(vii). The preparation of the Final Output Report will include the participation of at least one licensed professional engineer, who will also sign the Final Output Report; provided that the preparation by or participation of the licensed professional engineer shall not be deemed a certification of the Final Output Report.

1.64 "First Offer Notice" has the meaning set forth in Section 3.7(e)(ii)(D).

1.65 "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) unusual 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, blockage, 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 Permitted Curtailment Period, then it shall be treated as a Permitted Curtailment Period for purposes of Section 3.1(i); or

(v) failure of Project equipment if such equipment failure is caused solely by an independent, identifiable event of Force Majeure or by a documented Serial Defect in the equipment that, at any time before the third (3rd) anniversary of the Commercial Operation Date, affects at least twenty-five percent (25%) of the Units included in the Project.

(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, except to the extent Seller's inability to obtain permits or approvals occurs after the Commercial Operation Date and Seller has timely applied for and diligently pursued such permits or approvals;

(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 Construction Contractor(s) or subcontractors thereof or any other third party employed by Seller to work on the Project; or

(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) though (a)(v) above.

1.66 "Force Majeure Project Failure" has the meaning set forth in Section 3.7(e)(ii)(A).

1.67 "Forced Outage" means any unplanned reduction or suspension of the electrical output from the Project, or unavailability of the Project 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. For the avoidance of doubt, a Forced Outage does not include a reduction in the electrical output of the Project resulting from changes in the wind resource.

1.68 "Forward Certificate Transfers" has the meaning set forth in Section 3.1(k)(i).

1.69 "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 for the remaining Delivery Term, determined in a commercially reasonable manner, subject to Section 5.2 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 and include the value of Green Attributes.

1.70 "GDP Implicit Price Deflator" means the most recent revision of the implicit price deflator for the gross domestic product as computed and published by the United States Department of Commerce.

1.71 "Good Utility Practice" means any of the practices, methods, and acts engaged in or approved by a significant portion of the power generation industry in the State of Washington during the relevant time period in the operation and maintenance of generating facilities similar in size, technology and operating characteristics to the Project, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition, and compliance with Law. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in the region.

1.72 "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 use and operation of the Project.

1.73 "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.

1.74 "Governmental Charges" has the meaning set forth in Section 9.2.

1.75 "Grant County Public Utility District" or "Grant PUD" means the nonprofit public utility district in Grant County, Washington that owns and operates the Wanapum substation and the Transmission System between the Wanapum substation and the BPA Vantage substation.

1.76 "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.

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

---

[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.

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

1.79 "Guaranteed Energy Production" or "GEP" means seventy percent (70%) of two times the Contract Quantity, adjusted for Seller Excuse Hours as provided in the following formula:

GEP = [70% x (2 x 276,728 MWh)] x [(Hours in Performance Measurement Period – Seller Excuse Hours in the Performance Measurement Period)/Hours in Performance Measurement Period]

1.80 "Guaranteed Energy Shortfall" is defined in Section 3.1(e)(ii)(B).

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

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

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

1.84 "Interconnection Agreement" means the interconnection agreement between Seller and the Transmission Provider providing for the interconnection of the Project with the Transmission System.

1.85 "Interconnection Facilities" means the Transmission Provider's Interconnection Facilities and the Seller's Interconnection Facilities. Collectively, Interconnection Facilities include all facilities 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 System. Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades or Network Upgrades.

1.86 "Interconnection Point" has the meaning set forth in Section 3.1(h)(i).

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

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

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

1.90 "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.

1.91 "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 1.34 "CPUC Approval", 1.76 "Green Attributes", 10.2(b), "Seller Representations and

Warranties" and 10.12 "Governing Law", the term "law" shall have the meaning set forth in this definition.

1.92 "Letter(s) of Credit" means one or more irrevocable, non-transferable standby letters of credit issued by (i) a U.S. commercial bank or (ii) a U.S. branch of a foreign commercial bank with sufficient assets in the U.S., as 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.

1.93 "LGIP" means the Large Generator Interconnection Procedures set forth in the PSE Tariff and associated documents; provided that if the LGIP is replaced by such other successor procedures approved by FERC governing interconnection (i) to the Transmission System or (ii) 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.

1.94 "Licensed Professional Engineer" means a person acceptable to Buyer in its reasonable judgment who (i) is licensed to practice engineering in the State of Washington, (ii) has training and experience in the power industry specific to the technology of the Project, (iii) has no economic relationship, association, or nexus with Seller or Buyer, other than to meet the obligations of Seller pursuant to this Agreement, and (iv) 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.

1.95 "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 for the remaining Delivery Term, determined in a commercially reasonable manner, subject to Section 5.2 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. If the Non-Defaulting Party is the Seller, then "Losses" shall exclude any loss of Production Tax Credits, Energy Tax Credits, or other federal or state tax credits or benefits related to the Project or generation therefrom.

1.96 "Manager" has the meaning set forth in Section 12.2(a).

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

1.98 "Mid-C Index Price" means the price on a day-ahead basis for electrical energy transactions (firm "On-Peak Hours" and firm "Off-Peak Hours" as defined by ICE) at Mid-C, quoted in dollars per MWh, as published by the Intercontinental Exchange ("ICE") for the applicable period. If such ICE index price is no longer available or any replacement of that index ceases to be published during the Term, each Party may propose as a replacement Mid-C Index Price a substantially equivalent index that, after any necessary adjustments, provides the most reasonable substitute quotation of the daily price of electricity (firm On-Peak Hours and firm Off-Peak Hours) for the delivery of Energy for the applicable periods. If the Parties do not agree on a replacement index price within thirty (30) days after the date a

Party first proposes a replacement index price, then a replacement index price shall be selected through the dispute resolution procedures set forth in Article Twelve.

1.99 "Milestones" has the meaning set forth in Section 3.9(c)(i).

1.100 "Monthly Progress Report" means the report similar in form and content attached hereto as Appendix VII.

1.101 "Moody's" means Moody's Investor Services, Inc., or its successor.

1.102 "MWh" means megawatt-hour.

1.103 "NERC" means the North American Electric Reliability Council or a successor organization that is responsible for establishing reliability criteria and protocols.

1.104 "Network Upgrades" means the additions, modifications, and upgrades to the Transmission System required at or beyond the point at which the Interconnection Facilities connect to the Transmission System to accommodate the interconnection of the Project to the Transmission System.

1.105 "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.

1.106 "NOAA" means National Oceanic and Atmospheric Administration or successor thereto.

1.107 "Non-Defaulting Party" has the meaning set forth in Section 5.2.

1.108 "Notice," unless otherwise specified in the Agreement, means written communications by a Party to be delivered by hand delivery, overnight courier service, facsimile or electronic messaging (e-mail). Appendix XI contains the names and addresses to be used for Notices.

1.109 "Notice to Proceed" means the notice provided by Seller to a Construction Contractor following execution of a Construction Contract between Seller and such Construction Contractor and satisfaction of all conditions to performance of such contract, by which Seller authorizes such Construction Contractor to begin performance of its scope of Work for the Project without any delay or waiting periods.

1.110 "Obligor" means the Party breaching the terms of this Agreement.

1.111 "Operating Reserves" means generating capacity that is available at all times to maintain a scheduled frequency and to avoid the loss of firm load following transmission or generation contingencies. It consists of spinning and non-spinning reserves.

1.112 "Outage" means either a Forced Outage, Planned Outage or Prolonged Outage.

1.113 "Outage Notification Form" means the notice form attached hereto as Appendix VIII, which shall be submitted by Seller to Buyer or its Third-Party SC in accordance with the relevant provisions of Section 3.7. Buyer reserves the right to revise or change the form in its or its Third-Party SC's reasonable discretion upon Notice to Seller.

1.114 "Partial Commercial Operation Date" means the date on which Seller (a) notifies Buyer that Commercial Operation has commenced for fifty-one (51) or more of the Units, and (b) fifty-one

(51) or more of the Units are operating and able to produce and deliver Energy to Buyer pursuant to the terms of this Agreement.

1.115 "Partial Commercial Operation Plan" has the meaning set forth in Section 3.9(c)(iii)(C).

1.116 "Partial Force Majeure Project Failure" has the meaning set forth in Section 3.7(e)(ii)(B).

1.117 "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.

1.118 "Performance Assurance" means collateral provided by Seller to Buyer to secure Seller's obligations hereunder and includes Project Development Security and Delivery Term Security.

1.119 "Performance Measurement Period" means a twenty four (24) consecutive month period during the Delivery Term.

1.120 "Permitted COD Extension" means a delay in achieving the Guaranteed Commercial Operation Date due to (i) Force Majeure, or (ii) any action or inaction of Transmission Provider in performing its obligations under the Interconnection Agreement and not attributable to any default or event of default by Seller under the Interconnection Agreement, pursuant to Section 3.9(c)(iii).

1.121 "Permitted Construction Extension" means a delay in achieving the Guaranteed Construction Start Date due to Force Majeure pursuant to Section 3.9(c)(iii).

1.122 "Permitted Curtailment Period" means the period of time during which (a) curtailments ordered from the Transmission Provider, for reasons including but not limited to any system emergency declared or determined by the Transmission Provider, or (b) curtailments ordered by a Transmission Provider prevent Buyer from receiving or Seller from delivering Delivered Energy at the Delivery Point.

1.123 "PG&E Approved Planned Outage" means a Planned Outage which does not have to be approved by PSE under the Interconnection Agreement.

1.124 "Planned Outage" means the removal of equipment from service availability for inspection 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 10% of Contract Capacity.

1.125 "Preamble" means the paragraph that precedes Article One: General Definitions to this Agreement.

1.126 "Prime Rate" means an interest rate per annum, determined as of the date the obligation to pay interest arises, and adjusted from time to time thereafter, as reported by the Wall Street Journal as the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation's thirty (30) largest banks for such day, as such "Prime Rate" may change from time to time.

1.127 "Product" means the Delivered Energy, capacity and all ancillary products, services or attributes similar to the foregoing which are or can be produced by or associated with the Project, including, without limitation, renewable attributes, Renewable Energy Credits, Capacity Attributes,

WREGIS Certificates, and Green Attributes. For the avoidance of doubt, the Product does not include any investment tax credits or grants or other payments in lieu thereof, which shall remain the property of Seller.

1.128 "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 1.76, "Green Attributes," the word "project" shall have the meaning set forth in this definition.

1.129 "Project Cure Period" has the meaning set forth in Section 3.9(c)(iv).

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

1.131 "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.

1.132 "PSE Approved Planned Outage" means a Planned Outage which must be approved by PSE under the Interconnection Agreement.

1.133 "PSE Transmission Service Agreement" has the meaning set forth in Section 3.4(a)(iv)(A).

1.134 "Puget Sound Energy" or "PSE" means Puget Sound Energy, Inc., a Washington corporation.

1.135 "Puget Sound Energy Tariff" or "PSE Tariff" means the Puget Sound Energy Electric Transmission Tariff, as it may be amended, supplemented or replaced (in whole or in part) from time to time.

1.136 "RA Capacity" means the maximum megawatt amount that the CAISO recognizes from the Project that qualifies for Buyer's Resource Adequacy Requirements.

1.137 "Ratings Agency" means either S&P or Moody's.

1.138 "Recording" has the meaning set forth in Section 2.4.

1.139 "Referral Date" has the meaning set forth in Section 12.2(a).

1.140 "Remaining Units" has the meaning set forth in Section 3.9(c)(iii)(C).

1.141 "Remaining Units Termination Payment" has the meaning set forth in Section 3.9(c)(iii)(C).

1.142 "Remedial Action Plan" has the meaning provided in Section 3.9(c)(ii).

1.143 "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.

1.144 "Resource Adequacy" means the procurement obligation of load serving entities, including Buyer, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time in the CPUC Resource Adequacy Rulemakings (R.) 04-04-003 and (R.) 05-12-013 or by any successor proceeding, and all other Resource Adequacy obligations established by any other entity, including the CAISO.

1.145 "Resource Adequacy Requirements" has the meaning set forth in Section 3.3.

1.146 "S&P" means the Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor.

1.147 "Satisfaction Date" has the meaning set forth in Section 2.5.

1.148 "Schedule" means the actions of Seller, Buyer and/or their designated representatives, or Scheduling Coordinator, including each Party's Transmission Providers, if applicable, of notifying, requesting and confirming to each other the quantity and type of Product to be delivered on any given day or days during the Delivery Term at the Delivery Point.

1.149 "Scheduling Coordinator" or "SC" means an entity certified by Puget Sound Energy as qualifying as a Scheduling Coordinator pursuant to the Puget Sound Energy Tariff, for the purposes of undertaking the functions specified in "Responsibilities of a Scheduling Coordinator", of the Puget Sound Energy Tariff, as amended from time to time.

1.150 "SEC" means the U.S. Securities and Exchange Commission.

1.151 "Seller" has the meaning set forth in the Preamble.

1.152 "Seller Excuse Hours" means those hours during which Seller is unable to provide Delivered Energy to Buyer as a result of (a) a Force Majeure event, (b) Buyer's failure to perform, or (c) a Permitted Curtailment Period, in each case regardless of whether other factors would also have prevented Seller from providing Delivered Energy, including, without limitation, inadequate or excessive wind.

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

1.154 "Serial Defect" means (a) a defect in any Unit or component thereof causing impaired performance or failure, or requiring the removal from service of any Unit or component thereof (for replacement or otherwise) in accordance with Good Utility Practice, which results in a material reduction in the output of one or more Units comprising the Project to the extent attributable to a defect in any Unit or component thereof causing impaired performance or failure, or requiring the removal from service of any Unit or component thereof (for replacement or otherwise); and (b) twenty-five percent (25%) or more of the same component or Units included in the Project is affected by the same defect in any twelve (12) month period. In this context, a component shall contain a "defect" if such component (i) breaks or ceases to perform the function for which it was designed or installed (exclusive of normal wear and tear), (ii) is not free of material defects in material and workmanship, or (iii) fails to conform to applicable technical or design specifications.

1.155 "Settlement Amount" has the meaning set forth in Section 5.2.

1.156 "Settlement Interval" means any one of the six (6) ten-minute time intervals beginning on any hour and ending on the next hour (e.g., 12:00 to 12:10, 12:10 to 12:20, etc.).

1.157 "Settlement Interval Actual Available Capacity" means the sum of the capacity, in MWs, of all generating units of the Project that were available as of the end of such Settlement Interval, as indicated by the Actual Availability Report.

1.158 "Shaping Party" means the third party providing services to Buyer to enable the Shaping Transaction.

1.159 "Shaping Transaction" means the transaction between Buyer and the Shaping Party whereby the Shaping Party agrees to, among other things, receive the Delivered Energy from the Delivery Point and deliver shaped energy to Buyer.

1.160 "Shortfall Price" means any positive difference between (i) the weighted average (based on on-peak hours and off-peak hours of the Delivered Energy during the Performance Measurement Period) of the daily Mid-C Index Price for the Performance Measurement Period, plus the lesser of: (a) the average price quotes for comparable Renewable Energy Credits from three nationally recognized brokers, and (b) $50.00/MWh, and (ii) the Contract Price for the same Performance Measurement Period.

1.161 "Site" means the location of the Project as described in Appendix IV.

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

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

1.164 "Termination Payment" has the meaning set forth in Section 5.2.

1.165 "Third-Party SC" means a qualified third party designated by Buyer to provide the Scheduling Coordinator functions for the Project pursuant to this Agreement.

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

1.167 "Transmission Charges" has the meaning set forth in Section 3.4(a)(iii).

1.168 "Transmission Provider" means any entity or entities transmitting or transporting the Product on behalf of Seller or Buyer to or from the Delivery Point. For purposes of this Agreement the Transmission Provider(s) is Puget Sound Energy and/or Grant PUD.

1.169 "Transmission Rights" has the meaning set forth in Section 3.4(a)(iv)(A).

1.170 "Transmission System" means the transmission facilities, now or hereafter in existence, operated by Transmission Provider or any other significant service provider for transmission of Product to or from the Delivery Point.

1.171 "Unit(s)" means the General Electric 1.5MWsle wind turbines used to produce the Products, which are identified in Appendix IV for the Transaction entered into under this Agreement. For purposes of this Agreement, Seller shall use sixty (60) Units at the Project to produce the Products.

1.172 "Use of Facilities Agreement" has the meaning set forth in Section 3.4(a)(iv)(A).

1.173 "WECC" means the Western Electricity Coordinating Council or successor agency.

1.174 "WREGIS" means the Western Renewable Energy Generating Information System or any successor renewable energy tracking program.

1.175 "WREGIS Certificate Deficit" has the meaning set forth in Section 3.1(k)(v).

1.176 "WREGIS Certificates" has the same meaning as "Certificate" as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard.

1.177 "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.

1.178 "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. Nothing herein modifies, alters or affects in any way the Parties' obligations under the Confidentiality Agreement, dated July 8, 2008, entered into between the Parties in connection with the solicitation from which this Agreement is a result.

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.

2.3 Authorized Representatives. Each Party shall provide Notice to the other Party of the persons authorized to nominate and/or agree to a schedule or dispatch order for the delivery or acceptance of the Product or make other 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 Recording. Unless a Party expressly objects to a Recording (defined below) at the beginning of a telephone conversation, each Party consents to the creation of a tape or electronic recording ("Recording") of all telephone conversations between the Parties to this Agreement, and agrees that any such Recordings will be retained in confidence, secured from improper access, and may be submitted in evidence in any proceeding or action relating to this Agreement. Each Party waives any further notice of such monitoring or Recording, and agrees to notify its officers and employees of such monitoring or Recording and to obtain any necessary consent of such officers and employees.

2.5 Term. (a) The term shall commence upon the satisfaction of the Conditions Precedent set forth in Section 11.1 of this Agreement and shall remain in effect until the conclusion of the Delivery Term unless terminated sooner pursuant to Section 5.2 or Section 11.2 of this Agreement (the "Term"); provided, however, that the Delivery Term shall not commence more than one hundred eighty (180) days prior to the Guaranteed Commercial Operation Date; and provided, further, that to the extent necessary to fulfill their obligations and enforce their rights hereunder, this Agreement shall thereafter remain in effect until 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 the undrawn portion of the Project Development Security or Delivery Term Security, as applicable, is released and/or returned as applicable (the "Satisfaction Date").

(b) Notwithstanding anything to the contrary in this Agreement, (i) all rights and obligations under Section 10.5 (Indemnities) and any other indemnity rights and obligations 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) all rights and obligations under Section 3.7(e)(ii) shall survive the early termination of this Agreement for a period equal to the lesser of three (3) years from the date of such early termination or the remaining term of this Agreement at the time of such termination.

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 3.1(n), 3.9(a)(vi), 5.1(a)(iv)-(v), and 5.1(b)(iii);

(ii) Section 5.1(a)(ii) only with respect to Section 10.2(a), and Section 5.1(a)(iii) only with respect to the Sections identified in this Section 2.6;

(iii) Sections 5.2 through 5.6;

(iv) Sections 8.3, 8.4(a)(i), 8.4(b), and 8.5;

(v) Sections 10.2(a), 10.3(b)(ii), 10.3(c)(ii), 10.6 through 10.8, and Sections 10.12 through 10.15; and

(vi) Articles One, Two, Seven, Eleven, 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, Seller shall sell and deliver, or cause to be delivered, and Buyer shall purchase and receive, or cause to be received, the Product at the Delivery Point, and Buyer shall pay Seller the Contract Price in accordance with the terms of this Agreement. In no event shall Seller have the right to procure any element of the Product from sources other than the Project for sale or delivery to Buyer under this Agreement. Buyer shall have no obligation to receive or purchase Product from Seller prior to or after the Delivery Term. In accordance with Section 3.4, the Parties agree that Seller shall arrange and pay independently for any and all necessary electrical interconnection, distribution or transmission or any of them (and any regulatory approvals required for any of the foregoing) sufficient to allow Seller to deliver the Product to the Delivery Point for sale pursuant to the terms of this Agreement. 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 Contract Years specified above beginning on the first date that Seller delivers Product to Buyer from the Project ("Initial Energy Delivery Date") in connection with this Agreement and continuing until the end of the fifteenth (15th) Contract Year unless terminated as provided by the terms of this Agreement. The Initial Energy Delivery Date shall occur as soon as practicable once all of the following have been satisfied: (i) the Partial Commercial Operation Date or the Commercial Operation Date has occurred; (ii) Buyer shall have received the Delivery Term Security in accordance with the relevant provisions of Article Eight of the Agreement, as applicable; (iii) Seller shall have prepared and submitted any necessary application or documentation required to obtain the CEC Certification and Verification for the Project; and (iv) all of the applicable Conditions Precedent in Article Eleven of the Agreement have been satisfied or waived in writing by both Parties. 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 on the Initial Energy Delivery Date.

(d) Delivery Point. The Delivery Point shall be the interconnection point between Seller's 230KV transmission line from the Project and the Transmission System at the high side of the step-up transformer at Puget Sound Energy's Poison Substation or Wind Ridge Substation, as specified in the Interconnection Agreement.

(e) Contract Quantity and Guaranteed Energy Production.

(i) Contract Quantity. The Contract Quantity during each Contract Year is expected to be at least 276,728 MWh, which amount is inclusive of Forced Outages.

(ii) Guaranteed Energy Production.

(A) Throughout the Delivery Term, Seller shall be required to provide Delivered Energy in a quantity greater than or equal to the Guaranteed Energy Production for each Performance Measurement Period.

(B) With the first Performance Measurement Period commencing on the first day of the sixth (6th) full month of the Delivery Term, if the Delivered Energy is less than the Guaranteed Energy Production for the Performance Measurement Period, then within sixty (60) days after the Performance Measurement Period, Buyer shall notify Seller of such failure by providing Seller with a Notice setting forth the quantity in MWhs of the difference between the Guaranteed Energy Production and Delivered Energy for the Performance Measurement Period (the "Guaranteed Energy Shortfall").

(C) If a Guaranteed Energy Shortfall occurs in a Performance Measurement Period, Seller nevertheless shall be deemed to have met the Guaranteed Energy Production requirement if Seller pays liquidated damages to Buyer as provided in Section 3.1(e)(ii)(D). If Buyer's notice pursuant to Section 3.1(e)(ii)(B) is received before the end of a calendar month, Seller shall reflect such damages in Seller's next monthly invoice; otherwise, Seller shall reflect such damages in the monthly invoice for the next succeeding month. Seller shall pay such damages in the time periods as required by Section 6.1. Notwithstanding the foregoing, Seller may not pay liquidated damages for failure to satisfy the Guaranteed Energy Production if Seller has paid previously to Buyer liquidated damages pursuant to this Section 3.1(e)(ii) equal to 277 GWh in the aggregate during the Delivery Term.

(D) The liquidated damages for failure to satisfy the Guaranteed Energy Production shall be equal to the product of (1) the Shortfall Price, multiplied by (2) the Guaranteed Energy Shortfall in the Performance Measurement Period.

(E) If Seller is not permitted to pay liquidated damages as provided in Section 3.1(e)(ii)(C) or Seller fails to pay liquidated damages for a Guaranteed Energy Shortfall as applicable in Section 3.1(e)(ii)(D), Buyer shall have the right, but not the obligation to declare an Event of Default under Section 5.1(b).

(F) Each Party agrees and acknowledges that the damages that Buyer would incur due to the Project's failure to produce the Guaranteed Energy Production would be difficult or impossible to predict with certainty, and that the liquidated damages contemplated by this Section 3.1(e)(ii) are an appropriate approximation of such damages. Buyer's remedies under this Section 3.1(e)(ii) shall be Buyer's sole and exclusive remedies for failure by Seller to satisfy the Guaranteed Energy Production requirement.

(f) Contract Capacity. The nameplate generation capability designated for the Project shall be 90 MW (the "Contract Capacity"), and in no event shall Buyer be obligated to receive or pay for, in any hour, any Delivered Energy that exceeds the Contract Capacity. Throughout the Delivery Term, Seller shall sell all Product produced by the Project net of all auxiliary loads, station electric uses, and Electrical Losses, solely to Buyer, except that Seller shall have the right to sell the Delivered Energy to a third party, during periods, and only to the extent (i) that Buyer has failed or refused to accept such Delivered Energy and Seller has not committed an Event of Default or (ii) to mitigate Seller's damages if Buyer is in breach of this Agreement and Seller has sent Notice of such breach to Buyer in accordance with Section 5.1(a).

(g) Project.

(i) All Product provided by Seller pursuant to this Agreement shall be supplied from the Project only. Seller shall not make any alteration or modification to the Project which results in a material change to the Contract Capacity or the anticipated output of the Project without Buyer's prior written consent, which consent shall not be unreasonably withheld. The Project is further described in Appendix IV.

(ii) 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(b); provided, however, that Seller shall not be deemed to have relinquished possession or control of the Project merely because it has engaged contractors to construct, operate or maintain the Project. Seller shall be deemed to have relinquished possession of the Project if:

(A) Prior to the Commercial Operation Date, Seller and its contractors have ceased work on the Project and such cessation is not a result of a Force Majeure event or failure of Transmission Provider to complete construction of the Interconnection Facilities; or

(B) After the Commercial Operation Date, Seller and its contractors have ceased production and delivery of Product for a consecutive thirty (30) day period and such cessation is not a result of a Force Majeure event, failure of a material item of equipment, including without limitation, the substation transformer or the generator tie-line, breach of this Agreement by Buyer, or any other action or inaction of Transmission Provider, Scheduling Coordinator, Shaping Party, or any other person or entity providing services relating to the Product from the Delivery Point.

(h) Interconnection Facilities.

(i) Interconnection Point. The interconnection point is the Delivery Point.

(ii) Seller Obligations. Seller shall, at its sole expense, be obligated, directly or through subcontractors, to (A) maintain PSE's Interconnection Facilities, including metering facilities; (B) 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 (C) obtain Electric System Upgrades, as needed, in order to ensure the safe and reliable delivery of Delivered Energy from the Project 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 is anticipated under this Agreement.

(iii) Coordination with Buyer. Seller shall (A) use commercially reasonable efforts to coordinate with Buyer in connection with the Electric System Upgrades, if applicable; (B) provide to Buyer copies of the Interconnection Agreement the earlier of thirty (30) days (I) prior to the Construction Start Date or (II) after the Effective Date, and all material correspondence related thereto occurring after the Effective Date; and (C) provide Buyer with written reports of the status of the Interconnection Agreement and Electric System Upgrades, if applicable, on a monthly basis until the Commercial Operation Date. The foregoing shall not preclude Seller from executing an Interconnection Agreement 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.

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

(iii) Curtailment. Notwithstanding Section 3.1(b) and this Section 3.1(i), Seller shall reduce delivery amounts as directed by the Transmission Provider during any Permitted Curtailment Period.

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

(j) Greenhouse Gas Emissions Reporting. 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, tracking, allocating for or accounting for such emissions. Promptly following Buyer's written request, Seller agrees to take all commercially reasonable actions and execute or provide any and all documents, information or instruments, with respect to generation by the Project, reasonably necessary to permit Buyer to comply with such requirements; provided, however, that Buyer's request or failure to request shall not relieve Seller of its obligation to comply with applicable Law and with the other terms of this Agreement. Buyer shall reimburse Seller for any out-of-pocket documented costs incurred by Seller to comply with the foregoing request which Seller would not have incurred but for its obligations under this

Section 3.1(j) (not including any cost which Seller would otherwise incur in order for Seller to comply with applicable Law or the other terms of this Agreement), provided, however, that Seller shall be responsible for the first Twelve Thousand Five Hundred Dollars ($12,500.00) of such costs in the aggregate during the Delivery Term. If Seller anticipates incurring such costs in excess of $12,500.00, Seller shall give Notice of such costs to Buyer (including any documentation to support such costs) prior to incurring such costs. If Buyer does not respond to Seller's Notice within fifteen (15) days, or if Buyer rejects the costs identified in the Notice, Seller shall not be required to incur costs in excess of $12,500 to comply with the terms of this Section 3.1(j), and, to the extent that costs in excess of $12,500 would be required to comply with the terms of this Section 3.1(j), Seller shall be excused from such compliance. Seller shall only be required to incur costs in excess of $12,500 to comply with the terms of this Section 3.1(j) if Buyer agrees in writing to reimburse Seller for such costs.

(k) WREGIS. Notwithstanding Section 3.1(j), Seller shall, at its sole expense, 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 Energy generated by the Project are issued and tracked through WREGIS 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 Commercial Operation 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 or the account(s) of a designee that Buyer identifies by Notice to Seller ("Buyer's WREGIS Account"). 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 cause Forward Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. As of the Execution Date, the WREGIS Certificates are expected to be created no later than ninety (90) calendar days after the end of each calendar month for Energy generated by the Project in that calendar month. For example, for Energy generated by the Project in January 2010, the WREGIS Certificates will be created in WREGIS no later than April 30, 2010. 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, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Energy generated by the Project for such calendar month as evidenced by the Project's metered 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 Energy generated by the Project for the same calendar month ("Deficient Month"). If any WREGIS Certificate Deficit is caused, or the result of any action or inaction, by Seller, then the amount of Energy generated by the Project in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for the purposes of calculating Buyer's payment(s) to Seller under Article 6 and the Guaranteed Energy Production for the applicable Performance Measurement Period. 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 Energy generated by the Project in the same calendar month.

(l) Access to Data and Installation and Maintenance of Weather Station.

(i) Commencing on the first date on which the Project generates Product to be delivered to the Delivery Point, and continuing throughout the Term, Seller shall provide to Buyer or its Third-Party SC, in a form reasonably acceptable to Buyer or its Third-Party SC, the following data on a real-time and historical basis: (A) read-only access to meteorological measurements, and transformer availability, any other facility availability information, all parameters necessary for use in the equation under item (G) of this list, and energy output information collected by the supervisory control and data acquisition (SCADA) system for the Project; (B) read-only access to the Project's PSE revenue meter and all Project meter data at the Site; (C) electrical output of each electrical generator; (D) auxiliary power consumption, by Unit and Project; (E) net plant electrical output at each electric revenue meter; (F) real-time data values of air temperature, wind speed, wind direction, standard deviation of wind direction, relative humidity by Project; and (G) an equation, updated on an ongoing basis to reflect the approximate potential generation of the Project as a function of wind speed. Such equation shall take into account the expected availability of the facility. For any month in which the above information and access was not available to Buyer or its Third-Party SC for longer than twenty-four (24) continuous hours, Seller shall prepare and provide to Buyer or its Third-Party SC, upon Buyer's or its Third-Party SC's request a report with the Settlement Interval Actual Available Capacity of the Project for each month in the form set forth in Appendix XIV ("Actual Availability Report"). Upon Buyer's or its Third-Party SC's request, Seller shall promptly provide to Buyer or its Third-Party SC any additional and supporting documentation necessary for Buyer or its Third-Party SC to audit and verify any matters set forth in the Actual Availability Report. Seller shall provide Buyer or its Third-Party SC with direct, read-only, electronic access to the Seller's data as set forth in this Section 3.1(l)(i) as and when available and provided on a timely basis or promptly upon request if no other time period is specified. In the event that Buyer or its Third-Party SC believes that there is a problem with the data provided by Seller, either because it may be inaccurate, incomplete, or temporarily unavailable, Seller will meet with Buyer and/or its Third-Party SC to resolve any issues with respect to such data.

(ii) Buyer or its Third-Party SC may validate the data provided pursuant to Section 3.1(l)(i) with information publicly available from NOAA and nearby weather stations if Seller's data is inconsistent with the publicly available data or is missing.

(iii) Seller shall maintain at least a minimum of one hundred twenty (120) days' historical data for all data required pursuant to Section 3.1(l)(i), which shall be available on a minimum time interval of one hour basis or an hourly average basis, except with respect to the meteorological measurements which shall be available on a minimum time interval of ten (10) minute basis. Seller shall provide such data to Buyer or its Third-Party SC within five (5) Business Days of Buyer's or its Third-Party SC's request.

(iv) Installation, Maintenance and Repair.

(A) Seller, at its own expense, shall install and maintain at least one stand-alone meteorological station at the Site to monitor and report the meteorological data required in Section 3.1(l)(i) of this Agreement. Seller, at its own expense, shall install and maintain a secure communication link in order to provide Buyer or its Third-Party SC with access to the data required in Section 3.1(l)(i) of this Agreement.

(B) Seller shall maintain the meteorological stations, telecommunications path, hardware, and software necessary to provide quality data to Buyer or its Third-Party SC. Seller shall promptly repair and replace as necessary such meteorological stations, telecommunications path, hardware and software and shall notify Buyer or its Third-Party SC as soon as Seller learns that any such telecommunications paths, hardware and software are providing faulty or incorrect data.

(C) If Buyer or its Third-Party SC notifies Seller of the need for maintenance, repair or replacement of the meteorological stations, telecommunications path, hardware or software, Seller shall maintain, repair or replace such equipment as necessary as soon as practicable, and Seller shall use commercially reasonable efforts to complete such repair within five (5) days of receipt of such Notice.

(D) For any occurrence in which Seller's telecommunications system is not available or does not provide quality data and Buyer or its Third-Party SC notifies Seller of the deficiency or Seller becomes aware of the occurrence, Seller shall transmit data to Buyer or its Third-Party SC through any alternate means of communication (i.e., cellular communications from onsite personnel, facsimile, blackberry or equivalent mobile e-mail) until the telecommunications link is re-established.

(v) Seller agrees and acknowledges that Buyer or its Third-Party SC may seek from third parties any information relevant to its duties as SC for Seller, including from the Transmission Provider. Seller hereby voluntarily consents to allow the Transmission Provider to share Seller's information with Buyer or its Third-Party SC in furtherance of Buyer's duties as SC for Seller, and agrees to provide the Transmission Provider with written confirmation of such voluntary consent at least thirty (30) days prior to the Initial Energy Delivery Date.

(vi) No later than ninety (90) days before the Initial Energy Delivery Date, Seller shall provide a minimum of one (1) year of recorded meteorological data to Buyer or its Third-Party SC in a form reasonably acceptable to Buyer or its Third-Party SC from a weather station at the Site. Such weather station shall provide, via remote access to Buyer or its Third-Party SC, all data

relating to (A) wind speed and direction, standard deviation of wind direction, air temperature and humidity at the Site, as well as time-average data including 10-minute and hourly values of air temperature, wind speed, wind direction, standard deviation of wind direction, and relative humidity; and (B) elevation, latitude and longitude of the weather station.

(m) Buyer's Agent. The Parties acknowledge and agree that Buyer may engage one or more subcontractors with respect to the performance of certain of Buyer's obligations under this Agreement (other than its payment obligations). Notwithstanding any such engagement, Buyer shall be responsible for and liable to Seller hereunder for any action that is taken, or failed to be taken, by such subcontractor or any of them in performing such obligations on Buyer's behalf.

(n) Obtaining and Maintaining CEC Certification and Verification.

(i) Seller shall file an application for pre-certification of the Project with the CEC no later than the Construction Start Date, and 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 Delivery Term. Seller shall obtain such CEC Certification and Verification no later than one hundred twenty (120) days following the Initial Energy Delivery Date; provided that Seller shall have an additional sixty (60) days to obtain such CEC Certification and Verification if CEC Certification and Verification is not obtainable within the one hundred twenty (120) day period so long as Seller takes all commercially reasonable actions to obtain such CEC Certification and Verification and continues to diligently pursue such actions in order to obtain CEC Certification and Verification during such one hundred eighty (180) day period.

(ii) Notwithstanding Section 3.1(n)(i), Buyer shall cooperate with Seller in demonstrating compliance with the out of state delivery requirements of the CEC, and shall execute and deliver such documents to Seller or the CEC with respect to Buyer's obligations under Section 10.3(c)(i) as may be necessary (or, in the case of documents required for Section 10.3(c)(i) due to a change in Law described in Section 10.2(b), as may be commercially reasonable) for Seller to obtain and maintain the CEC Certification and Verification throughout the Delivery Term. If (A) Buyer's representations and warranties under Section 10.2(c) are untrue or incorrect, or (B) Buyer breaches its covenant in Section 10.3(c)(i), and that (I) causes Seller to breach its representations, warranties and covenants under Section 10.2(b), or (II) prevents Seller from performing and satisfying its obligations under Sections 3.1(n)(i) or 3.3, such breach or failure to perform and satisfy the obligations under Sections 3.1(n)(i) or 3.3, as applicable, by Seller shall not be considered an Event of Default by Seller; provided that Seller shall be obligated to perform and satisfy those obligations under Sections 3.1(n)(i) or 3.3 to the extent Seller is not otherwise prevented from doing so due to a Buyer breach of Section 10.3(c)(i).

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 Resource Adequacy. During the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all of the Project's Contract Capacity, including Capacity Attributes, from the Project to enable Buyer to meet its Resource Adequacy or successor program requirements, as the CPUC, CAISO or other regional entity may prescribe ("Resource Adequacy Requirements"). Seller understands that the CPUC is currently in the process of developing requirements for Resource Adequacy and these requirements and the implementation thereof have not been finalized. Seller agrees that during

the Delivery Term Seller shall, at a minimum, comply with the terms set forth in Appendix X to enable Buyer to use all of the capacity, including Capacity Attributes, to be committed by Seller to Buyer pursuant to this Agreement to meet Buyer's Resource Adequacy Requirements. Notwithstanding the foregoing, provided that Seller has otherwise complied with the requirements of this Section 3.3, Seller shall have no liability to Buyer if Buyer is unable to use all of the capacity, including Capacity Attributes, to be committed by Seller to Buyer pursuant to this Agreement to meet Buyer's Resource Adequacy Requirements.

3.4 Transmission and Scheduling.

(a) Transmission.

(i) Seller's Transmission Service Obligations. During the Delivery Term, Seller shall arrange and be responsible for transmission service, including risk of transmission outage or curtailment, to and at the Delivery Point and bear all risks and costs associated with such transmission service, including, but not limited to, any transmission outages or curtailment. Seller shall fulfill all contractual, metering and applicable interconnection requirements, including those set forth in the Transmission Provider's applicable tariffs, the Interconnection Agreement and other implementing standards and requirements, including, but not limited to, executing applicable interconnection agreements, if applicable, so as to be able to deliver Energy to the Transmission Provider's Grid.

(ii) Buyer's Transmission Service Obligations. Subject to Sections 3.4(a)(iii) and (iv), during the Delivery Term, Buyer shall (A) arrange and be responsible for transmission service, including risk of transmission outage or curtailment, from the Delivery Point and bear all risks and costs associated with such transmission service, including, but not limited to, any transmission outages or curtailment (other than Permitted Curtailment Periods), (B) schedule or arrange for Scheduling Coordinator services with its Transmission Provider to receive the Product at the Delivery Point and (C) be responsible for all costs and charges, electric transmission losses and congestion from the Delivery Point. Buyer shall be responsible for supplying and paying for Operating Reserves for the Project in the event the Transmission Provider requires such Operating Reserves.

(iii) Allocation of Transmission Charges. With respect to all transmission-related charges imposed by the Transmission Providers, including any required regulation/integration charges, ancillary services, and all similar charges from and at the Project's Interconnection Point, and including any charges related to the Transmission Rights described in Section 3.4(a)(iv) (the "Transmission Charges"), the Parties agree to the following:

(A) To the extent that the aggregate Transmission Charges for a Contract Year divided by Delivered Energy delivered to Buyer during such Contract Year are less than $8.01 per MWh, Buyer shall be responsible for the Transmission Charges, and Buyer shall reimburse Seller for all such charges to the extent invoiced to Buyer.

(B) If the aggregate Transmission Charges for a Contract Year divided by Delivered Energy delivered to Buyer during such Contract Year exceeds $8.01 per MWh but does not exceed $16.00 per MWh, Buyer and Seller shall share equally in such charges between $8.01 and $16.00 per MWh.

(C) If the aggregate Transmission Charges for a Contract Year divided by Delivered Energy delivered to Buyer during such Contract Year exceeds $16.00 per MWh, Buyer shall advise Seller whether Buyer will pay for such incremental costs. If Buyer declines to pay for such incremental charges, Seller shall promptly, and in no case later than ten (10) Business Days

following Notice of Buyer's election, advise Buyer whether it will pay such incremental costs. If Seller does not respond within such period or declines to pay such incremental charges, Buyer and Seller shall make good-faith efforts to agree upon the proper allocation of such costs. If the Parties are unable to reach an agreement on the allocation of such costs or neither Party agrees to assume such costs within thirty (30) days, either Party may terminate this Agreement by giving ten (10) Business Day's prior Notice, and upon such Notice neither Party shall have any further liability or obligation hereunder, except for any liability for amounts owed prior to the early termination of this Agreement.

(D) The price ranges included in Sections 3.4(a)(iii) shall escalate each Contract Year at the GDP Implicit Price Deflator.

(iv) Transmission Service.

(A) Effective on the Initial Energy Delivery Date and throughout the Delivery Term, Seller shall arrange for rights under the following for purposes of transmitting Delivered Energy from the Delivery Point to the BPA Vantage substation during the Delivery Term: (I) five (5) year 90 megawatt firm point to point transmission service (PSE reference number 72259578) on the PSE Transmission System from the Delivery Point to Grant PUD's Wanapum substation ("PSE Transmission Service Agreement"), and (II) the Use of Facilities Agreement with Grant PUD ("Use of Facilities Agreement") (collectively the "Transmission Rights"). Within thirty (30) days of Buyer's Notice of designation of a Third-Party SC, Seller shall assign its rights to or provide the right to use the transmission services (as reasonably requested by Third-Party SC) in the PSE Transmission Service Agreement to Buyer's Third-Party SC and arrange for Buyer or its Third-Party SC the right to use the services under the Use of Facilities Agreement, effective on the Initial Energy Delivery Date through the Delivery Term. The grant of the right to use or assignment of the Transmission Rights (as applicable) shall be made in compliance with the Transmission Providers' procedures to accomplish such grants or assignments. Seller shall be responsible for the cost of making the Transmission Rights available to Buyer or its Third-Party SC, and Buyer shall be responsible for any costs associated with the use of the Transmission Rights by or on behalf of Buyer or its Third-Party SC, including, without limitation, the cost of any services provided to or on behalf of Buyer by the Transmission Provider pursuant to the Transmission Rights.

(B) Buyer's or its Third-Party SC's right to use or assignment of the Transmission Rights shall end on the earlier of (I) the expiration or earlier termination of this Agreement, or (II) Buyer's or its Third-Party SC's taking any action, or failing to take any action, if such action or failure to act could reasonably be expected to jeopardize Seller's rights under such Transmission Rights. Upon the expiration or termination of this Agreement, the rights to use or assignment of the Transmission Rights shall revert to or shall be assigned to Seller or its Affiliates.

(1) Prior to the termination of any Transmission Rights pursuant to Section 3.4(a)(iv)(B) above, Seller shall, if there is sufficient time to allow for notice and cure without jeopardizing Seller's rights under such Transmission Rights, provide Notice to Buyer informing Buyer of its or its Third-Party SC's actions or failure to act that could reasonably be expected to jeopardize Seller's rights under such Transmission Rights and provide Buyer a commercially reasonable period of time, not to exceed ten (10) Business Days, to cure such action or failure to act in order to preserve or protect Seller's rights under such Transmission Rights. Seller may terminate Buyer's or its Third-Party SC's right to use the Transmission Rights pursuant to Section3.4(a)(iv)(B)(II) above if Buyer fails to cure in such period of time.

(2) If there is not sufficient time to allow for notice and cure (in each case as described in Section 3.4(a)(iv)(B)(1) above) without jeopardizing Seller's rights under

such Transmission Rights, Seller may take any commercially reasonable action to preserve and protect its rights under the Transmission Rights.

(3) Seller will use commercially reasonable efforts not to terminate Buyer's or its Third-Party SC's right to use the Transmission Rights pursuant to Section 3.4(a)(iv)(B)(II) above, but only if Buyer or its Third-Party SC agrees to undertake reasonably necessary actions, agreed to in advance in writing with Seller, to avoid further acts or failures to act that could reasonably be expected to jeopardize Seller's rights under such Transmission Rights.

(C) The right to use or the assignment of the Transmission Rights shall be effective for the Delivery Term. In the event that such Transmission Rights do not extend to the end of the Delivery Term, Seller shall arrange for the extension of such Transmission Rights until the end of the Delivery Term and Buyer shall cooperate with Seller in arranging for such extension and assignment. Seller shall be responsible for the cost of entering into such extension and assignment, and Buyer shall be responsible for any costs associated with the use of such extended Transmission Rights by or on behalf of Buyer, including, without limitation, the cost of any services provided by the Transmission Provider to or on behalf of Buyer pursuant to the extended Transmission Rights.

(b) Scheduling Coordinator. Buyer or a Third-Party SC designated by Buyer shall act as the Scheduling Coordinator for the Project. In that regard, Buyer and Seller shall agree to the following:

(i) Designation as Scheduling Coordinator.

(A) At least sixty (60) days before the Initial Energy Delivery Date, Seller shall take all actions and execute and deliver to Buyer all documents necessary to authorize or designate Buyer or, if Buyer has designated a Third-Party SC, its Third-Party SC, as Seller's Scheduling Coordinator, and Buyer or Third-Party SC, as applicable, shall take all actions and execute and deliver to Seller and PSE all documents necessary to become and act as Seller's Scheduling Coordinator. Buyer shall give Seller Notice of Buyer's designation of a Third-Party SC at least thirty (30) days before the Third-Party SC assumes Scheduling Coordinator duties hereunder, and Seller shall be entitled to rely on such designation until it is revoked or a new Third-Party SC is appointed by Buyer upon similar Notice. Thirty (30) days after Notice to Seller of Buyer's designation of a Third-Party SC and until Buyer provides Notice to Seller that the designation is revoked or a new Third-Party SC is appointed, Seller shall only be required to provide information, data, documents or other information to Buyer's designated Third-Party SC as required by this Agreement when a term or condition requires Seller to provide information, data, documents or other materials to "Buyer or its Third-Party SC." Buyer shall be fully responsible for all acts and omissions of Third-Party SC and for all cost, charges and liabilities incurred by Third-Party SC to the same extent that Buyer would be responsible under this Agreement for such acts, omissions, costs, charges and liabilities if taken, omitted or incurred by Buyer directly.

(B) Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator during the Delivery Term.

(ii) Buyer's Responsibilities as Scheduling Coordinator. During the Delivery Term, Buyer shall, or Buyer shall cause its Third-Party SC to, comply with all obligations as Seller's Scheduling Coordinator under the PSE Tariff and shall conduct all Scheduling in full compliance with the terms and conditions of this Agreement, the applicable PSE Tariff, and protocols and scheduling practices for Energy on a Day-Ahead or Hour-Ahead basis, as such terms are defined in the PSE Tariff.

(iii) Replacement of Scheduling Coordinator.

(A) At least forty-five (45) days prior to the end of the Delivery Term, or as soon as practicable before the date of any termination of this Agreement prior to the end of the Delivery Term, Seller shall take all actions necessary to terminate the designation of Buyer or its Third-Party SC, as applicable, as Seller's SC. These actions include (I) submitting to PSE a designation of a new SC for Seller to replace Buyer or the Third-Party SC; (II) causing the newly-designated SC to submit a letter to PSE accepting the designation; and (III) informing Buyer and the Third-Party SC of the last date on which Buyer or the Third-Party SC will be Seller's SC.

(B) Buyer shall submit, or if applicable cause the Third-Party SC to submit, a letter to PSE identifying the date on which Buyer or Third-Party SC resigns as Seller's SC on the first to occur of either (I) thirty (30) days prior to the end of the Delivery Term or (II) the date of any early termination of this Agreement.

(iv) Available Capacity Forecasting. In the event that Buyer is Seller's Scheduling Coordinator or Buyer revokes the designation of Buyer's Third-Party SC to act as Seller's Scheduling Coordinator, the Parties shall promptly amend this Agreement to provide for Seller's delivery of available capacity forecasts to Buyer in substantially the same form and manner as set forth in Appendix IX or as otherwise agreed by the Parties.

3.5 Standards of Care.

(a) General Operation. Seller shall comply with all applicable requirements of Law, the Transmission Provider, NERC and WECC relating to the Project (including those related to construction, ownership and/or operation of the Project), except to the extent that non-compliance would not interfere with Seller's performance of its material obligations under this Agreement.

(b) PSE and WECC Standards. Each Party shall perform all generation, scheduling and transmission services in compliance with all applicable (i) operating policies, criteria, rules, guidelines, tariffs and protocols of PSE, (ii) WECC scheduling practices and (iii) Good Utility Practices, except to the extent that non-compliance would not interfere with either Party's performance of its material obligations under this Agreement.

(c) Reliability Standard. Seller agrees to abide by all (i) NERC, WECC and PSE reliability requirements, including Resource Adequacy Requirements as set forth in Appendix X and, if applicable, CPUC General Order No.167, "Enforcement of Maintenance and Operation Standards for Electrical Generating Facilities", and (ii) all applicable requirements regarding interconnection of the Project, including the requirements of the interconnected Transmission Provider. Seller shall enter into and comply with the WECC Reliability Management System (Generator) Agreement, or successor agreement, as of the Commercial Operation Date and throughout the Delivery Term.

3.6 Metering. All output from the Project per the terms of this Agreement must be delivered through a single Puget Sound Energy revenue meter and that meter must be dedicated exclusively to the Project described herein. All Product purchased under this Agreement must be measured by the Project's Puget Sound Energy 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 or its Third-Party SC in a form acceptable to Buyer or its Third-Party SC, and consents to Buyer or its Third-Party SC obtaining from Puget Sound Energy the Puget Sound Energy meter data applicable to the Project and all inspection, testing and calibration data and reports. Seller shall grant Buyer and its Third-Party SC the right to the meter data from Puget Sound

Energy. If Puget Sound Energy makes any adjustment to any Puget Sound Energy meter data for a given time period, Seller agrees that it shall submit revised monthly invoices, 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 Puget Sound Energy provides to Seller such binding adjustment to the meter data.

3.7 Outage Notification and Communications.

(a) Puget Sound Energy Approval of Outage(s). Seller shall be responsible for securing Puget Sound Energy approvals for any PSE Approved Planned Outage, including securing changes in its PSE Approved Planned Outage schedules if Puget Sound Energy disapproves Seller's schedules or cancels a previously approved PSE Approved Planned Outage. Seller shall communicate to Buyer or its Third-Party SC any PSE Approved Planned Outages, any changes to any PSE Approved Outages, and any Puget Sound Energy required changes, all in a timely manner, in accordance with the provisions set forth in Appendix VIII.

(b) Planned Outages. Seller shall notify Buyer or its Third-Party SC of Seller's proposed schedule for PG&E Approved Planned Outages for the Project for the following calendar year by submitting a completed Outage Notification Form in accordance with the provisions set forth in Appendix VIII no later than July 1st of each year during the Delivery Term. The PG&E Approved Planned Outage schedule is subject to Buyer's approval (in consultation with Buyer's Third-Party SC), which approval may not be unreasonably withheld or conditioned. Notwithstanding the submission of the Outage Notification Form described in the previous sentence, Seller shall also submit a completed Outage Notification Form in accordance with the provisions set forth in Appendix VIII below no later than fourteen (14) days prior to each PG&E Approved Planned Outage. Seller shall not conduct PG&E Approved Planned Outages during the months of January, June through September, and December. During all other months, Seller shall not schedule PG&E Approved Planned Outages without the prior written consent of Buyer (in consultation with Buyer's Third-Party SC), which consent may not be unreasonably withheld or conditioned. Seller shall contact Buyer or its Third-Party SC with any requested changes to the PG&E Approved Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled PG&E Approved Planned Outage consistent with Good Utility Practices. Seller shall not change its PG&E Approved Planned Outage Schedule without Buyer's approval (in consultation with Buyer's Third-Party SC), which shall not be unreasonably withheld or conditioned, and which shall be deemed to have been granted if Buyer has not objected, with reasons, to Seller's changed schedule within fifteen (15) days after Seller's delivery of such schedule to Buyer. After any PG&E Approved Planned Outage has been scheduled, at any time up to the commencement of work for the PG&E Approved Planned Outage, Buyer or its Third-Party SC may request that Seller change its outage schedule. Seller shall notify Buyer or its Third-Party SC of any incremental costs associated with such schedule change and an alternative schedule change, if any, that would entail lower incremental costs. If Buyer agrees to pay the incremental costs, Seller shall use commercially reasonable efforts to accommodate Buyer's request. Unless Buyer or its Third-Party SC is transmitting a Puget Sound Energy order to Seller once a PG&E Approved Planned Outage schedule has been finalized by Buyer or its Third-Party SC and Seller, Buyer or its Third-Party SC may not change Seller's PG&E Approved Planned Outage schedule without Seller's approval.

(c) Forced Outages. Seller shall, in accordance with the provisions set forth in Appendix VIII, (i) use commercially reasonable efforts to notify Buyer or its Third-Party SC of any Forced Outage affecting seven (7) or more Units within ten (10) minutes of the occurrence of such outage, (ii) provide a written estimate of its expected duration of the outage within one (1) hour thereafter, and (iii) submit a completed Outage Notification Form to Buyer or its Third-Party SC in accordance with

the instructions provided therein. Seller shall not substitute Energy from any other source for the output of the Project during a Forced Outage.

(d) Prolonged Outages. Seller shall notify Buyer or its Third-Party SC of a Prolonged Outage as soon as practicable under the circumstances by submitting a completed Outage Notification Form in accordance with the provisions set forth in Appendix VIII, and provide an estimate of the duration of the outage therein. Seller shall notify Buyer or its Third-Party SC in writing when the Project is again capable of meeting its obligations under this Agreement. Seller shall not substitute Energy from any other source for the output of the Project during a Prolonged Outage.

(e) Force Majeure.

(i) 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 pursuant to this Section 3.7(e)(i) 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 affecting Seller during the term of such Force Majeure.

(ii) Extended Force Majeure

(A) If a Force Majeure affecting Seller's ability to produce Product and provide Delivered Energy to the Delivery Point continues for a period of twelve (12) or more consecutive calendar months, and if during the most recent twelve (12) months of such Force Majeure period, the Project failed to deliver at least sixty percent (60%) of the Contract Quantity to the Delivery Point due solely to the effect of such Force Majeure ("Force Majeure Project Failure"), Buyer shall have the right to terminate this Agreement, but not to collect a Termination Payment, effective forty-five (45) days after Buyer's Notice to Seller, which Notice may be delivered at any time prior to the later of (x) forty-five (45) days after the right to terminate first arises under this Section 3.7(e)(ii)(A), or (y) the date on which the Force Majeure which caused such Force Majeure Project Failure, if ongoing, is remedied and Seller has provided Buyer with a written explanation how the elimination of the Force Majeure will allow Seller to deliver at least sixty percent (60%) of the Contract Quantity to the Delivery Point during the next succeeding twelve (12) month period (or, if less, during the remainder of the Delivery Period).

(B) If a Force Majeure affecting Seller's ability to produce Product and provide Delivered Energy to the Delivery Point continues for a period of twelve (12) or more consecutive calendar months, and if during the most recent twelve (12) months of such Force Majeure period, the Project delivered less than the Contract Quantity but more than sixty percent (60%) of the Contract Quantity to the Delivery Point due solely to the effect of such Force Majeure ("Partial Force Majeure Project Failure"), Buyer shall not have the right to terminate this Agreement, but shall have the right, by Notice to Seller, to reduce the Contract Capacity, Contract Quantity, and Guaranteed Energy Production to a level consistent with the capability of the Project to produce Product and provide Delivered Energy to the Delivery Point in light of the Partial Force Majeure Project Failure. Such reductions shall be effective forty-five (45) days after Buyer's Notice to Seller, which Notice may be delivered at any time prior to the later of (x) forty-five (45) days after the right to reduce Contract

Capacity, Contract Quantity, and Guaranteed Energy Production first arises under this Section 3.7(e)(ii)(B), or (y) the date on which such Partial Force Majeure Project Failure, if ongoing, is remedied and Seller has provided Buyer with a written explanation how the elimination of the Force Majeure will allow Seller to deliver the Contract Quantity to the Delivery Point during the next succeeding twelve (12) month period (or, if less, during the remainder of the Delivery Period). Buyer shall not have the right to collect a Termination Payment with respect to such reduction.

(C) The twelve (12) consecutive month period in Sections 3.7(e)(ii)(A) and (B) shall be extended by up to an additional six (6) months if within forty-five (45) days after receipt of Notice from Buyer that a Force Majeure Project Failure or a Partial Force Majeure Project Failure, as applicable, has occurred, Seller presents Buyer with a plan for mitigation of the effect of the Force Majeure, which plan is commercially reasonable and satisfactory to Buyer, as evidenced by Buyer's written approval of such plan, provided that Seller diligently pursues such mitigation plan throughout such additional period. If an extension period is granted, then the termination or reduction right described in Section 3.7(e)(ii) shall be exercisable within forty-five (45) days after the end of such extension period if the Force Majeure has not been resolved by that time. Buyer's termination under this Section 3.7(e) shall be without liability to either Party, including, without limitation, with respect to any Termination Payment, except for any obligations for amounts due and payable before such termination.

(D) Following the early termination of this Agreement or reduction of Contract Capacity, Contract Quantity, and Guaranteed Energy Production by Buyer pursuant to Section 3.7(e)(ii)(A) or (B) and until the earlier of (A) the third (3rd) anniversary of such early termination or reduction, or (B) the date when the Delivery Term would have expired in the absence of such early termination or reduction (the "Exclusivity Period"), 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 (or the affected portion) to any third party during all or any part of the remaining portion of the original Delivery Term as of the date the Force Majeure Project Failure or Partial Force Majeure Project Failure occurred (the "Extended Delivery Term"), unless Seller first offers, in writing, to sell to Buyer such Products from the Project (or affected portion) during all or any part of the Extended Delivery Term on the same terms and conditions as this Agreement, subject to permitted modifications identified in subpart (I) below, (the "First Offer Notice") and Buyer either accepts or rejects such First Offer Notice, or fails to respond to such notice within thirty (30) days, in accordance with the provisions herein:

(I) If Buyer accepts the First Offer Notice, Buyer shall notify Seller within thirty (30) days of receipt of the First Offer Notice, subject to Buyer's management approval and CPUC Approval ("Buyer's Notice"), and then the Parties shall have not more than ninety (90) days from the date of Buyer's Notice to enter into a new power purchase agreement, in substantially the same form as this Agreement, or to amend this Agreement, in each case, for a term equal to the Extended Delivery Term, subject to CPUC Approval, if necessary; provided, however, that (x) the price shall not be greater than the Contract Price, increased to reflect Seller's costs of overcoming the Force Majeure, and other documented price increases reasonably incurred by Seller during the period following the early termination of this Agreement, and (y) the only other terms to substantially change from the original agreement include the reduction of Contract Capacity, Contract Quantity, and Guaranteed Energy Production by Buyer pursuant to Sections 3.7(e)(ii)(A) or (B).

(II) Buyer shall have a further two hundred forty (240) days in which to obtain any final, nonappealable order from the CPUC that is required to approve Buyer's entry into a new agreement or amend this Agreement as set forth in subsection (I) above and the rate recovery of the payments to be made by Buyer thereunder (the "CPUC Amendment Approval"). Pending receipt of any necessary CPUC Amendment Approval (if Buyer files for such approval), Seller shall sell to Buyer the Product from the Project which is the subject of the CPUC Amendment Approval on mutually

agreeable terms and conditions. If Buyer is not able to purchase or is not interested in purchasing the Product which is subject to the CPUC Amendment Approval on an interim basis while such approval is pending, or if the Parties are unable to reach written agreement on the terms and conditions of such interim sale and purchase of such Product within thirty (30) days, Seller shall have the right to sell such Product to one or more third parties pursuant to one or more transactions having a term of less than one (1) year, and subject to early termination upon obtaining CPUC Amendment Approval.

(III) If Buyer rejects Seller's First Offer Notice or does not respond to the First Offer Notice within thirty (30) days, then during the Exclusivity Period Seller shall have the right to sell such Product to any other purchaser so long as the price for the Product and the material terms and conditions of such sale are not more favorable to such other purchaser than those offered to Buyer in the First Offer Notice. If, during the Exclusivity Period and after Buyer rejects Seller's offer or does not timely respond to the First Offer Notice, Seller desires to enter into an obligation or agreement with a third party for the purchase of the Product during all or any part of the Extended Delivery Term, Seller shall deliver to Buyer a certificate of an authorized officer of Seller summarizing the contract price for the Product and the other material terms and conditions of such agreement. If Buyer reasonably determines that such terms and conditions as set forth in the certificate are more favorable to the third party than those offered to Buyer in the First Offer Notice, then, subject to Seller's rights under Article 12, Seller shall not sell or otherwise transfer, or enter into an agreement to sell or otherwise transfer, the Product during the Exclusivity Period without first offering to sell such Product to Buyer on such more favorable terms and conditions in accordance with the terms of this Section 3.7(e)(ii).

(f) Outage Procedures. The procedures for (i) providing notice, (ii) communicating during an Outage and (iii) testing of the Project during an Outage shall be set forth in Appendix VIII.

(g) Communications with PSE. Seller shall coordinate all Outages with PSE outage coordination personnel and PSE operations management, including submission to PSE of updates of Outage plans, submission of clearance requests, and all other outage-related communications. Seller shall timely provide Buyer or its Third-Party SC with copies of all outage plans and clearance requests submitted to PSE, and shall promptly inform Buyer or its Third-Party SC of all clearance approvals and disapprovals and other communications with PSE 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, its Third-Party SC and the Transmission Provider upon request. If either Party or Buyer's Third-Party SC receives information through PSE or directly from the Transmission Provider regarding maintenance that will directly affect the Project, it will provide or require provision of this information promptly to the other Party.

(h) 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 and scheduling 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 work in good faith to implement any such changes as reasonably deemed necessary by Buyer or its Third-Party SC. Buyer shall reimburse Seller for any out-of-pocket documented costs of complying with the foregoing requirement (not including any cost which Seller would otherwise incur in order to comply with applicable Law); provided, that (i) Seller shall be responsible for the first Twelve Thousand Five Hundred Dollars ($12,500.00) in costs of complying with the foregoing during the Delivery Term; and (ii) if Seller anticipates incurring such costs above the amount in clause (i) of this Section 3.7(h), Seller shall give Notice of such costs to Buyer (including any documentation to support such costs) prior to incurring such costs. Seller shall not

be required to incur costs beyond the amount the amount in clause (i) of this Section 3.7(h) unless Buyer agrees in writing to reimburse Seller for such costs.

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, 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 or its Third-Party SC within thirty (30) days of Buyer's or its Third-Party SC'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, or its tariff schedules, PG&E Interconnection Handbook, Electric Rule 21, and rules on file with the CPUC. Buyer shall make reasonable efforts to coordinate its emergency activities with the Safety and Security Departments, if any, of the Project operator. Seller shall keep Buyer advised of current procedures for contacting the Project operator's Safety and Security Departments. While at the Project, Buyer, its authorized agents, employees and inspectors shall observe such safety precautions as may be required by Seller and shall conduct themselves in a manner that will not interfere with the construction, operation or maintenance of the Project.

3.9 New Generation Facility.

[X] Add Section 3.9.

If not checked, this Section 3.9 is inapplicable.

(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 Schedule and deliver the Product.

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

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

(v) At Buyer's request, upon reasonable advance notice, Seller shall provide Buyer with access to electronic copies of electrical specifications and design drawings pertaining to the Project for Buyer's review.

(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 identify the Milestones and indicate whether Seller has met or is on target to meet such Milestones.

(vii) Provide to Buyer a copy of the Final Output Report thirty (30) days prior to the Commercial Operation Date, and any updates thereafter for the time period beginning on the Initial Energy Delivery Date and ending on the last day of the first Contract Year.

(b) Buyer shall have the right, but not the obligation, to inspect the Project's construction site or on-site Seller data and information pertaining to the Project during business hours upon reasonable notice. While at the Project, Buyer, its authorized agents, employees and inspectors shall observe such safety precautions as may be required by Seller and shall conduct themselves in a manner that will not interfere with the construction, operation or maintenance of the Project.

(c) Construction Milestones.

(i) Milestones. The Parties agree time is of the essence in regards to the Transaction. As such, the Parties also agree certain milestones for the construction of the Project as set forth in Appendix III hereto ("Milestones") must be achieved in a timely fashion or Buyer will suffer damages. Seller shall provide Buyer with any reasonably 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, then within ten (10) Business Days of such missed Milestone completion date, Seller shall provide to Buyer a remedial action plan ("Remedial Action Plan"), which shall include a brief written description of Seller's course of action and plan 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.

(iii) Guaranteed Project Milestones. "Guaranteed Project Milestones" are as follows:

(A) The Construction Start Date shall occur no later than two (2) months after the satisfaction or waiver in writing by Buyer of the Conditions Precedent set forth in Sections 11.1(b) and (c) (the "Guaranteed Construction Start Date"); provided that the Guaranteed Construction Start Date may be extended by Seller on a day for day basis for not more than three hundred sixty (360) days for any event for which Seller is entitled to a Permitted Construction Extension; provided that Seller works diligently to resolve the effect of such event and provides evidence of its efforts promptly to Buyer upon Buyer's written request.

(B) Seller shall have demonstrated Commercial Operation per the terms of Appendix VI no later than nine (9) months after the satisfaction or waiver in writing by Buyer of the Conditions Precedent set forth in Sections 11.1(b) and (c) (the "Guaranteed Commercial Operation Date"), provided that Seller (I) may extend the Guaranteed Commercial Operation Date 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), and (II) may extend the Guaranteed Commercial Operation Date on a day for day basis for any event for which Seller is entitled to a Permitted COD Extension; provided that the total number of such extension days for Permitted Construction Extensions and Permitted COD Extensions shall not exceed a total of three hundred sixty (360) days.

(C) Subject to Section 3.9(c)(iv) below, Seller shall be deemed to have met its obligation to meet the Guaranteed Commercial Operation Date if Seller has achieved the Partial Commercial Operation Date on or before the Guaranteed Commercial Operation Date. In the event that Seller declares a Partial Commercial Operation Date, Seller shall (I) continue to use commercially reasonable efforts to promptly achieve the full Commercial Operation Date, (II) pay liquidated damages as set out in Section 3.9(c)(iv), and (III) have an additional six (6) months to reach Commercial Operation for the remaining Units not in Commercial Operation on the Partial Commercial Operation Date (the "Remaining Units"). If after six (6) months, Seller continues to have Remaining Units that have not reached Commercial Operation, Seller shall provide Buyer with a detailed written plan for such Remaining Units achieving Commercial Operation ("Partial Commercial Operation Plan"). Within thirty (30) days of receipt of the Partial Commercial Operation Plan, Buyer may elect to approve the Partial Commercial Operation Plan or terminate the purchase obligation under the Agreement for the Remaining Units. If Buyer has not notified Seller of its election by the end of such thirty day period, Buyer shall be deemed to have approved the Partial Commercial Operation Plan. If Buyer elects to approve the Partial Commercial Operation Plan, Seller shall not be required to continue paying the Daily Delay Damages described in Section 3.9(c)(iv)(A) after the date of Buyer's election and the Remaining Units will be included in the Project for purposes of the purchase and sale obligations under the Agreement after such Units have achieved Commercial Operation. If Buyer elects to terminate the purchase obligation under the Agreement for the Remaining Units, Seller shall pay to Buyer liquidated damages for the lost Products from the Remaining Units in the form of a payment using the calculation methodology set forth in Sections 5.2 and 5.3 (the "Remaining Units Termination Payment"). Seller's liability for the Remaining Units Termination Payment shall equal the greater of (a) either (x) $20/MWh or (y) $10/MWh if Seller has diligently pursued Commercial Operation of the Remaining Units throughout the periods described in this Section 3.9(c)(iii)(C), and (b) the Settlement Amount. In the event Remaining Units are excluded from the Project pursuant to this Section 3.9(c) (iii)(C), the Agreement will be updated to reflect the final and actual Contract Capacity, and the Contract Quantity shall be reduced proportionately.

(iv) Cure Period and Delay Damages.

(A) Seller shall cause the Project to achieve Commercial Operation by the Guaranteed Commercial Operation Date. If either the Commercial Operation Date or the Partial Commercial Operation Date does not occur before the Guaranteed Commercial Operation Date after giving effect to Permitted Construction Extensions or the Construction Start Date occurs after the Guaranteed Construction Start Date after giving effect to Permitted COD 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 (I) either the Commercial Operation Date or the Partial Commercial Operation Date occurs after the Guaranteed Commercial Operation Date after giving effect to Permitted COD Extensions for up to a total of one hundred and twenty (120) days ("Project Cure Period"); or (II) the Construction Start Date occurs after the Guaranteed Construction Start Date after giving effect to Permitted Construction Extensions for up to a total of one hundred and twenty (120) days ("Construction Cure Period") until Seller has met either the Commercial Operation Date or the Partial Commercial Operation Date. The Parties agree that Buyer's receipt of Daily Delay Damages shall (x) not be construed as Buyer's declaration that an Event of Default has occurred under any provision of Section 5.1 and (y) not limit Buyer's right to receive a Termination Payment upon exercise of Buyer's default right pursuant to Section 5.2.

(B) Upon Seller's declaration of the Partial Commercial Operation Date, Seller shall commence paying liquidated damages in the amount of One Hundred and Fifty Dollars ($150.00) per megawatt each day for each Remaining Unit until such Units have reached Commercial

Operation or the Buyer has terminated its obligations with respect to such Units, as described in Section 3.9(c)(iii).

(C) 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 and other liquidated damages in this Section 3.9(c) are an appropriate approximation of such damages. Seller shall be entitled to the return of all Daily Delay Damages collected by Buyer under Section 3.9(c)(iv)(A) 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 COD Extensions) as provided further in Section 8.4(c) of this Agreement. For sake of certainty, Buyer shall retain all Daily Delay Damages drawn under Section 3.9(c)(iv)(A) or (B) (or which Buyer is entitled to draw) as a result of Seller's failure to meet the Guaranteed Commercial Operation Date or the Guaranteed Construction Start Date (both as may be extended by Permitted Construction Extensions), if Seller fails to meet the Guaranteed Commercial Operation Date (as may be extended by Permitted COD Extensions). Upon Seller's failure to achieve either Guaranteed Project Milestones (as may be extended by a Permitted Construction Extension or a Permitted COD Extension, as applicable) if Buyer elects to declare an Event of Default under Section 5.1(b)(ii) and terminate the Agreement, Buyer shall be entitled to a Termination Payment calculated in accordance with Section 5.3, but in an amount not to exceed Four Million Five Hundred Thousand Dollars ($4,500,000.00), less any Daily Delay Damages already paid to Buyer by Seller pursuant to this Section 3.9(c).

ARTICLE FOUR: COMPENSATION; MONTHLY PAYMENTS

4.1 Contract Price. The Contract Price for each MWh of Delivered Energy shall be as follows:

Contract Year	Contract Price ($/MWh)
1	86.85
2	88.80
3	90.80
4	92.84
5	94.93
6	97.07
7	99.25
8	101.48
9	103.77
10	106.10
11	108.49
12	110.93
13	113.43
14	115.98
15	118.59

4.2 Excess Delivered Energy. In any Contract Year, if Seller delivers Energy in excess of 120 percent (120%) of the annual Contract Quantity amount, the Contract Price for such Energy in excess of such 120 percent (120%) shall be adjusted to be seventy-five percent (75%) of the applicable Contract Price.

4.3 Additional Compensation. To the extent not otherwise provided for in this Agreement, in the event that Seller is compensated by a third party for any Products produced by the Project, including, but not limited to, compensation for Resource Adequacy or Green Attributes, Seller shall remit all such compensation directly to Buyer; provided that for avoidance of doubt, nothing herein precludes Seller from retaining (a) credits related to Electric System Upgrades as contemplated in Section 3.1(h)(ii), (b) compensation received from a third party during periods when Products are sold in mitigation of damages due to a Buyer Event of Default, or (c) any tax benefits (including production tax credits), or grants in lieu of thereof, related to such Products.

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, unless such inaccuracy is cured within sixty (60) days after Notice thereof, and such cure removes any adverse effect on the other Party due to such inaccuracy; or (B) with respect to Section 10.2(b), becomes false or misleading in any material respect during the Delivery Term; provided that, (I) if the representation and warranty made by Seller in Section 10.2(b) is false or misleading in any material respect due in whole or in material part to the failure of Buyer to perform its covenant under Section 10.3(c), such breach of the representation or warranty in Section 10.2(b) shall not be an Event of Default, and (II) if a change in Law occurs after the Execution Date that causes the representation and warranty made by Seller in Section 10.2(b) to be false or misleading in any material respect, such breach of the representation or warranty in Section 10.2(b) 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.

(iii) the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) if such failure is not remedied within thirty (30) days after Notice from the Non-Defaulting Party; provided that if such failure cannot be cured by the payment of money and is not reasonably susceptible of being cured within such thirty (30) day period through the exercise of commercially reasonable efforts, the Defaulting Party shall have additional time to cure the Event of Default if it commences to cure the Event of Default within such thirty (30) day cure period, it advises the Non-Defaulting Party of its plan for such cure, and diligently pursues such cure, and such default is capable of being cured by the Defaulting Party and is in fact cured within ninety (90) days after receiving Notice of the Event of Default; provided further that if Buyer fails to perform its covenant set forth in Section 10.3(c)(i), such failure by Buyer to perform in accordance with Section 10.3(c)(i) shall not be an Event of Default;

(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 either of the Guaranteed Project Milestones, as may be extended by Permitted Construction Extensions or Permitted COD Extensions, and in each case after the applicable period for payment of Daily Delay Damages has expired;

(iii) failure by Seller to satisfy the creditworthiness/collateral requirements agreed to pursuant to Sections 8.3, 8.4, or 8.5 of this Agreement; or

(iv) failure by Seller to achieve the Guaranteed Energy Production requirement as set forth in Section 3.1(e)(ii) of this Agreement unless Seller pays liquidated damages to Buyer with respect to such failure in accordance with Section 3.1(e) (subject to the limitation on Seller's right to pay liquidated damages as set forth in Section 3.1(e)(ii)).

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 right (a) to 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) to accelerate all amounts owing between the Parties, terminate the Transaction and end the Delivery Term effective as of the Early Termination Date, (c) collect liquidated damages ("Termination Payment"), which shall be calculated in accordance with Section 5.3 below; (d) withhold any payments due to the Defaulting Party under this Agreement; (e) suspend performance, and (f) if Buyer is the Non-Defaulting Party, exercise its rights pursuant to Section 8.3 to draw upon and retain Performance Assurance. The Termination Payment will be the aggregate of all Settlement Amounts netted into a single amount, where the "Settlement Amount" is equal to the Losses or Gains, and Costs, which the Non-Defaulting Party incurs as a result of the termination of this Agreement. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement, the Termination Payment shall be zero. Disputes regarding the Termination Payment shall be determined in accordance with Article Twelve.

5.3 Calculation of Termination Payment. 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, and (d) for the remaining

Delivery Term, or in any other commercially reasonable manner. The Gains and Losses shall be calculated as the difference, plus or minus, between the economic value of the remaining Delivery Term of the Terminated Transaction and the equivalent quantities and relevant market prices for the same term that either are quoted by a bona fide market participant, as provided above, or which are reasonably expected to be available in the market for a replacement contract for the Transaction. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages; provided that Costs shall not constitute consequential, incidental, punitive, exemplary, indirect or business interruption damages. 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.

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.

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 the first Contract Year 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 metered data, including PSE 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, access to any relevant records, including invoices or settlement data from PSE; and (b) an invoice, in the format specified by Buyer, covering the Products provided in the preceding month determined in accordance with Section 4.3. 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 Prime 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 Prime 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 Prime 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 REGARDING THE PRODUCT EXCEPT AS SET FORTH HEREIN, 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 DAMAGES 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 (i) 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 and (ii) 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 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 or deemed 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 Two Hundred Seventy Thousand Dollars ($270,000.00) and in the form of cash or a Letter of

Credit from the Execution Date of this Agreement until Seller posts Project Development Security pursuant to Section 8.4(a)(ii) below with Buyer;

(ii) Project Development Security pursuant to this Section 8.4(a)(ii) in the amount of Four Million Two Hundred Thirty Thousand Dollars ($4,230,000.00) and in the form of cash or a Letter of Credit from a date not later than thirty (30) days following the date on which all of the Conditions Precedent set forth in Article Eleven are either satisfied or waived until Seller posts Delivery Term Security pursuant to Section 8.4(a)(iii) below with Buyer for a total of Four Million Five Hundred Thousand dollars ($4,500,000.00) in Project Development Security; provided that if Buyer collects or is entitled to collect Daily Delay Damages from Seller during the Construction Cure Period for failure to achieve the Guaranteed Construction Start Date (after giving effect to Permitted Construction Extensions), Seller agrees that within ten (10) Business Days following the end of the Construction Cure Period it shall replenish the Project Development Security by an amount equal to the original amount required under Section 8.4(a)(i) and (ii); provided further that, with Buyer's consent, Seller may elect to apply the Project Development Security posted pursuant to Section 8.4(a)(i) toward the Project Development Security posted pursuant to this Section 8.4(a)(ii); and

(iii) Delivery Term Security pursuant to this Section 8.4(a)(iii) in the amount of Twenty Million Eight Hundred Eighty Thousand Six Hundred Forty-Eight Dollars ($20,880,648.00) and in the form of cash, Letter of Credit or Guarantee from the earlier of the Partial Commercial Operation Date and the Commercial Operation Date until the end of the Term; provided that, with Buyer's consent, Seller may elect to apply the Project Development Security posted pursuant to Section 8.4(a)(ii) toward the Delivery Term Security posted pursuant to this Section 8.4(a)(iii).

Any such Performance Assurance shall not be deemed a limitation of damages, unless otherwise specifically provided by the terms set forth in this Agreement.

(b) Use of Project Development Security. Subject to Section 8.4(a)(ii), 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 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. 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)(ii) toward the Delivery Term Security posted pursuant to Section 8.4(a)(iii).

(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)(iii). 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 promptly 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 Termination Payment, indemnification payments or other damages are paid 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 (A) provide 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) post cash in each case in an amount equal to the outstanding Letter of Credit within five (5) Business Days after Buyer receives Notice of such refusal ("Cure"), as applicable. If Seller fails to Cure or if such Letter of Credit expires or terminates without a full draw thereon by Buyer, 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.

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 and at 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 from the Delivery Point. In the event Seller is required by Law 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 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) Buyer Representations and Warranties. Buyer represents and warrants to Seller as of the Effective Date that if the Product is delivered to and at the Delivery Point by Seller in accordance with this Agreement, then, assuming (i) that Buyer performs Buyer's covenants under Section 10.3(c) and (ii) the accuracy of Seller's representations and warranties in Section 10.2(b)(i), the Project's output shall qualify for delivery under the requirements of the California Renewables Portfolio Standard.

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;

(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; and

(iv) it shall maintain its status as a "forward contract merchant" within the meaning of the United States Bankruptcy Code (for so long as such term has the same definition as in effect as of the date of this Agreement).

(b) Seller Covenants.

(i) Seller covenants throughout the Delivery Term that it will take no action or permit any other person or entity (other than Buyer) to take any action that would impair in any way Buyer's ability to rely on the Project in order to satisfy its Resource Adequacy Requirements; and

(ii) Seller covenants that it shall comply with all PSE Tariff requirements applicable to the Interconnection Agreement and shall take any other 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's Covenants.

(i) Throughout the Delivery Term, Buyer shall, itself or through an agent, bundle each Green Attribute delivered by Seller as part of the Product with Energy, such that following the bundling, one Renewable Energy Credit is matched with one MWh of Energy**,** and shall deliver, or have delivered, such bundled product to California in the same calendar year that the Product is delivered by Seller to Buyer, in a manner that permits the Project's output delivered to Buyer to qualify for delivery under the requirements of the California Renewables Portfolio Standard.

(ii) As part of Buyer's advice letter filing or other application process by which Buyer is requesting approval of this Agreement, Buyer shall submit to the CPUC the schematic diagram and narrative description attached hereto as Appendix XV of the delivery structure contemplated by the Shaping Transaction and 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 arising prior to or at the Delivery Point.

10.5 Indemnities.

(a) Indemnity by Seller. Seller shall release, indemnify and hold harmless Buyer, its Affiliates, or Buyer's and Buyer's Affiliates' respective directors, officers, agents, and representatives against and from any and all losses, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with (i) the Product delivered under this Agreement to and at the Delivery Point, (ii) Seller's operation and/or maintenance of the Project, or (iii) Seller's actions or inactions with respect to this Agreement, including, without limitation, any loss, Claim, action or suit, for or on account of injury, bodily or otherwise, to or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only to the extent that such loss, Claim, action or suit was caused by the willful misconduct or gross negligence of Buyer, its Affiliates, or Buyer's and Buyer's Affiliates' respective agents, employees, directors, or officers. Seller shall further indemnify Buyer for all penalties assessed against Buyer by the CPUC pursuant to the California Renewables Portfolio Standard to the extent caused by Seller's failure to deliver the Product, unless such failure is caused by Force Majeure, Buyer's breach or default under this Agreement, or Buyer's failure to perform its obligations under Section 10.3(c)(i).

(b) Indemnity by Buyer. Buyer shall release, indemnify and hold harmless Seller, its Affiliates, or Seller's and Seller's Affiliates' respective directors, officers, agents, and representatives against and from any and all losses, Claims, actions or suits, including costs and attorney's fees resulting from, or arising out of or in any way connected with the Product delivered by Seller under this Agreement after the Delivery Point, including, without limitation, any loss, Claim, action or suit, for or on account of injury, bodily or otherwise, to or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or others, excepting only to the extent that such loss, Claim, action or suit was caused 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 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 so long as (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 (i) the assignee assumes the assigning Party's payment and performance obligations under this Agreement, (ii) the assignee agrees in writing to be bound by the terms and conditions hereof, and (iii) 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, conditioned or delayed. If requested by Seller, Buyer shall execute and deliver to Seller and its financing parties a Form of Consent and Agreement in substantially the form of Appendix XII (with such changes and modifications thereto as may be reasonably requested by such financing parties and agreed to by Buyer in its sole discretion) in favor of Sellers' financing parties to which Seller desires to make a collateral assignment of this Agreement. In connection with the delivery of such consent, Buyer shall at Seller's request deliver to Seller a customary opinion of counsel addressed to Seller's financing parties, in a form mutually acceptably to such financing parties and Buyer, addressing issues such as due authority, lack of conflict with other instruments, and enforceability of the Agreement. Seller shall be responsible at Buyer's request for Buyer's reasonable costs associated with the review, negotiation, execution and delivery of documents, including any opinion or the consent or both of them (to the extent required due to the changes and modifications requested by any financing party) in connection with such assignment, including without limitation, attorneys' fees, including fees of outside counsel.

(c) Assignment in Connection with a Change of Control. Any Change of Control of Seller (whether voluntary or by operation of law) shall be deemed an assignment and require the prior written consent of Buyer, which shall not be unreasonably withheld. "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: (i) a transfer of a majority of the ownership interests in Seller or such person or entity to any third party including any Affiliate thereof, subject to clause (B) below; or (ii) any consolidation or merger of Seller or such entity in which Seller or such entity, as the case may be, is not the continuing or surviving entity, other than a consolidation or merger of an entity in which the holders of such entity's membership interests immediately before the consolidation or merger shall, upon consummation of the consolidation or merger, own at least fifty percent (50%) of the equity of the surviving entity. Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred (A) as a result of any assignment in accordance with Section 10.6(b), including any further permitted assignment in connection with the exercise of the assignee's rights pursuant to any such assignment and in a manner consistent with Buyer's rights under this Agreement and Buyer's consent, or (B) if the transferee of Seller or the direct interests in

Seller is an Affiliate of the transferor or of Seller, and such transferee (I) has creditworthiness not worse than that of Seller's prior to the Change of Control, and (II) has demonstrable experience in the power generation industry not less than Seller and its Affiliates; provided, in each case, that the Project Development Security or the Delivery Term Security, as the case may be, either (x) remains in place, or (y) is replaced by other collateral to secure Seller's obligations hereunder and by a provider of such collateral, both of which, satisfying the collateral requirements of this Agreement. Seller shall provide Buyer with Notice of any event described in the preceding sentence, and of any indirect change in control of Seller which is not a Change of Control. 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.

Neither Party shall disclose the non-public terms or conditions of this Agreement or any Transaction hereunder to a third party, other than (a) the Party's Affiliates, the Party's or its Affiliates' respective employees, lenders, prospective lenders, investors, prospective investors, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential, (b) for disclosure to Buyer's Procurement Review Group, as defined in CPUC Decision D. 02-08-071, subject to a confidentiality agreement, (c) to the CPUC under seal for purposes of review, (d) disclosure of terms specified in and pursuant to Section 10.8 of this Agreement; (e) in order to comply with any applicable law, regulation, or any exchange, control area or CAISO 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 (f); or (f) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, FERC or any securities exchange. In connection with requests made pursuant to clause (e) of this Section 10.7 ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts: (i) to the extent permitted by Law, 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: (A) prohibited from complying with a Disclosure Order or (B) 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.

10.8 RPS Confidentiality. Notwithstanding Section 10.7 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 Prime 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 insurance coverage set forth in this Section 10.10. Seller shall separately require its subcontractors, including Seller's Construction Contractor(s) to maintain insurance coverage consistent with, and appropriate for, their scopes of work. The structure of the coverage shall be Seller's option, so long as the total amount of insurance meets the requirements specified in this Agreement.

(a) Workers' Compensation and Employers' Liability.

(i) Workers' Compensation insurance indicating compliance with any applicable labor codes, acts, Laws or statutes, state or federal, where Seller performs Work.

(ii) Employers' Liability insurance shall not be less than $1,000,000 for injury or death occurring as a result of each accident.

(b) Commercial General Liability.

(i) Coverage shall be at least as broad as the Insurance Services Office Commercial General Liability Coverage "occurrence" form, or its equivalent coverage form.

(ii) The limit shall not be less than $10,000,000 each occurrence for bodily injury, property damage, personal injury and products/completed operations. Coverage limits may be satisfied using an umbrella or excess liability policy.

(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 performed by or for the Seller with respect to both ongoing and completed operations. In the event the Commercial General Liability policy includes a "blanket endorsement by contract," the following language added to the certificate of insurance will satisfy Buyer's requirement: "PG&E, its directors, officers, agents and employees with respect to liability arising out of the Work performed by or for the Seller has been endorsed by blanket endorsement;"

(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; and

(C) include a severability of interest clause.

(c) Business Auto.

(i) Coverage shall be at least as broad as the Insurance Services Office Business Auto Coverage form covering Automobile Liability or its equivalent covering owned, non-owned and hired automobiles used in connection with the Seller's operations.

(ii) The limit shall not be less than $5,000,000 each accident for bodily injury and property damage.

(iii) If scope of Work involves hauling hazardous materials, coverage shall be endorsed in accordance with Section 30 of the Motor Carrier Act of 1980 (Category 2) and the CA 99 48 endorsement.

(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 $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; and

(C) all rights of subrogation against PG&E shall be waived with respect to all physical damage to any aircraft used during the performance of this Agreement.

(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 $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, property damage, including clean up costs and defense costs resulting from Seller's operations for sudden, accidental and gradual pollution conditions.

(ii) The limit shall not be less than $1,000,000 each occurrence for bodily injury and property damage.

(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.

(ii) Coverage shall be written to cover the full replacement cost of the property.

(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) The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company
Insurance Department—Suite 2400
One Market, Spear Tower
San Francisco, CA 94105

(iv) Reviews of such insurance may be conducted by PG&E on an annual basis or require complete certified copies at any time.

(v) Upon request, Seller shall furnish Buyer evidence of insurance for its subcontractors.

(vi) The insurance carrier or carriers and form of policy shall be subject to review and approval by PG&E, which approval shall not be unreasonably withheld.

(j) Form And Content.

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

(A) except with respect to professional liability insurance required hereunder, and where otherwise permitted by law, waive any right of subrogation of the insurers 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 by any action or inaction of each such insured and will insure each such insured regardless of any breach or violation of any warranty, declaration or condition contained in such insurance by the primary named insured.

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

(a) Complete financial statements and notes to financial statements; and

(b) Financial schedules underlying the financial statements, all within fifteen (15) days after the end of each fiscal quarter.

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 disclosed on an aggregate basis with other similar entities for which Buyer has power purchase agreements. The information will 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. The standard of review the FERC shall apply when acting on proposed modifications to this Agreement, either on FERC's own motion or on behalf of a signatory or a non-signatory, shall be the "just and reasonable" standard of review rather than the "public interest" standard of review. Nothing in this Agreement shall in any way restrict or otherwise limit the rights of either Party under Sections 205 and 206 of the Federal Power Act.

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: CONDITIONS PRECEDENT

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

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

(b) CPUC Approval has been obtained; and

(c) Buyer receives a final and non-appealable order of the CPUC that finds that Buyer's entry into this Agreement is reasonable and that payments to be made by Buyer under this Agreement and the Shaping Transaction (or other arrangement that allows Buyer to use the Product for California Renewables Portfolio Standard compliance purposes) are recoverable in rates; and

(d) Buyer receives from Seller the documentation listed in Appendix XIII (such occurrences in Sections 11.1(a) through (d) shall be referred to collectively as "Conditions Precedent").

11.2 Failure to Meet All Conditions Precedent. If the Conditions Precedent set forth in Sections 11.1(c) and (d) are not satisfied or waived in writing by both Parties on or before two hundred forty (240) days from the date on which Buyer files this Agreement for CPUC Approval, then either Party may terminate this Agreement effective upon receipt of Notice by the other Party delivered no later than thirty (30) days after the end of such two hundred and forty day period. Neither Party shall have any obligation or liability to the other, including for a Termination Payment or otherwise, by reason of such termination. Buyer agrees it will file this Agreement for CPUC Approval and the approval in Section 11.1(b) as soon as practicable after the Execution Date and in no case later than forty-five (45) days after the Execution Date, provided Seller has promptly delivered to Buyer any information Buyer needs to make such filing.

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 or any related agreement is the dispute resolution procedure set forth in this Article Twelve. Either Party may seek a preliminary injunction or other provisional judicial remedy if such action is necessary to prevent irreparable harm or preserve the status quo, in which case both Parties nonetheless will continue to pursue resolution 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 or any related agreements 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, which date shall not be greater than thirty (30) days from the Referral Date, to meet. 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 confidential and shall not be used or referred to in any subsequent binding adjudicatory process between the Parties.

(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 subsection (a) above, refuses or does not meet within the ten (10) Business Day period specified in Section 12.2(a) above, 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 so resolved by negotiation as set forth in Section 12.2 above, the Parties may agree to resolve the dispute through dispute resolution process administered by the American Arbitration Association (the "AAA"). As the first step, the Parties may mutually agree to mediate any controversy before a mediator from the AAA panel, pursuant to AAA's commercial mediation rules, in San Francisco, California. Either Party may request that the controversy be submitted to mediation by serving a written demand for mediation, and if the other Party agrees, the dispute shall be mediated in accordance with this Section 12.3. 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, the mediation does not result in resolution of the dispute, or if the Parties do not agree to mediate the dispute, then the controversy shall be settled by Arbitration conducted by a retired judge or justice from the AAA panel conducted in San Francisco, California, administered by and in accordance with AAA's Commercial Arbitration Rules ("Arbitration"). 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 AAA 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. The prevailing Party in this dispute resolution process is entitled to recover its costs and reasonable attorneys' fees.

(d) 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.

(e) 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 or other Scheduling or dispatch information or requests, as provided in Appendix VIII, shall be provided in accordance with the terms set forth in the relevant section of this Agreement. Invoices 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 delivered by overnight delivery 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:

VANTAGE WIND ENERGY LLC, a Delaware limited liability company

Signature: _____

Name: James J. Shield

Title: Vice President

Date: 8/17/09

PACIFIC GAS AND ELECTRIC COMPANY, a California corporation

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:

VANTAGE WIND ENERGY LLC, a Delaware limited liability company	**PACIFIC GAS AND ELECTRIC COMPANY, a California corporation**
Signature: _____	Signature: _____
Name: _____	Name: Roy Kuga
Title: _____	Title: Vice President, Energy Supply
Date: _____	Date: August 17, 2009

APPENDIX I

FORM OF LETTER OF CREDIT

Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXX

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 Vantage Wind Energy LLC, Beneficiary is entitled to draw under Letter of Credit No. **[insert number]** amounts owed by Vantage Wind Energy LLC under the PPA; or

B. "Letter of Credit No. [**insert number**] will expire in thirty (30) days or less and Vantage Wind Energy LLC 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 Vantage Wind Energy LLC has provided replacement security acceptable to Beneficiary, or Beneficiary has returned this Letter of Credit to Vantage Wind Energy LLC 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 _____("Buyer") and Vantage Wind Energy LLC ("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.

Seller represents to Buyer that it has been granted status as an **[**Exempt Wholesale Generator**] [**Qualifying Facility**]**. Additionally Seller provides the following FERC Tariff information for reference purposes only:

Tariff: Dated: Docket Number:

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:

VANTAGE WIND ENERGY LLC	**PACIFIC GAS AND ELECTRIC COMPANY**
Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

APPENDIX III

MILESTONES SCHEDULE

Identify Milestone	Date for Completion
Receipt of Permits Required to Commence Construction	The earlier of thirty (30) days (I) prior to the Construction Start Date or (II) after the Effective Date.
Receipt of executed Large Generator Interconnection Agreement with PSE	The earlier of thirty (30) days (I) prior to the Construction Start Date or (II) after the Effective Date.
Receipt of executed Use of Facility Agreement with Grant PUD	The earlier of thirty (30) days (I) prior to the Construction Start Date or (II) after the Effective Date.
Guaranteed Construction Start Date, as evidenced by issuance of all of the following: (i) Notice to Proceed to turbine supplier; (ii) Notice to Proceed to electrical contractor; and (iii) Notice to Proceed to balance of plant contractor	Two months after the satisfaction or waiver in writing by Buyer of the Conditions Precedent set forth in Sections 11.1(b) and (c).
Guaranteed Commercial Operation Date	Nine months after the satisfaction or waiver by Buyer of the Conditions Precedent set forth in Sections 11.1(b) and (c).

APPENDIX IV

PROJECT DESCRIPTION INCLUDING DESCRIPTION OF SITE

FACILITY DESCRIPTION

Facility name: Vantage Wind Energy Center

Facility Site name: Kittitas County, Washington

Facility physical address: 30821 Vantage Highway, Ellensburg, WA, 98926

Total number of Units at the facility (committed and not committed to Buyer): 60

Technology Type: Wind

The nameplate capacity of the Project is ninety (90) MW.

The Unit utilized as generation assets as part of the Project is a General Electric 1.5MWsle wind turbine.

Map:

APPENDIX V

FORM OF CERTIFICATION

This certification ("Certification") is delivered by Vantage Wind Energy LLC ("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 Appendix III of the Agreement, Seller delivered (i) a Notice to Proceed to turbine supplier; (ii) a Notice to Proceed to electrical contractor; and (iii) a Notice to Proceed to balance of plant contractor.

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 each installed wind turbine 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.

Vantage Wind Energy LLC

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 VI

COMMERCIAL OPERATION OR PARTIAL COMMERCIAL OPERATION CERTIFICATION PROCEDURE

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

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

1. 60 wind turbines (for full Commercial Operation) or 51 wind turbines (for Partial Commercial Operation) have been installed and commissioned at the Project.

2. All Seller and PSE 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 the Interconnection Agreement has been completed, and the Project is available for operation in all material respects in accordance with applicable Laws.

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 VII

FORM OF MONTHLY PROGRESS REPORT

Monthly Progress Report
of
Vantage Wind Energy LLC

("Seller")

provided to
Pacific Gas and Electric Company
("Buyer")

[Date**]**

1.0 Instructions.

Any capitalized terms used in this report which are not defined herein shall have the meanings ascribed to them in the Power Purchase Agreement by and between Vantage Wind Energy LLC ("Seller") and Pacific Gas and Electric Company dated _____, 200_ (the "Agreement").

Seller shall review the status of each significant Milestone of the construction schedule (the "Schedule") for the Project 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 or regulation, 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 Project 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 Project 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 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 Progress Report to Buyer, attention Contract Management, together with all attachments and exhibits. Seller shall deliver such Reports to Buyer either by U.S. Mail or electronic mail.

2.0 Executive Summary.

2.1. Major activities to be performed for each aspect of the Project during the current month.

Please provide a brief summary of the Major[1] activities to be performed for each of the following aspects of the Project during the current month:

2.1.1 Design

2.1.2 Property Acquisition

2.1.3 Engineering

2.1.4 Major Equipment procurement

2.1.5 Construction and Interconnection

2.1.6 Milestone report

2.1.7 Permitting (See Section 3.0 below)

2.1.8 Startup Testing and Commissioning

2.2. Major activities scheduled to be performed in the previous month but not completed as scheduled.

Please provide a brief summary of the Major activities which were scheduled to be performed in the previous month and their status, including those activities that were not completed as scheduled:

2.2.1 Design

2.2.2 Property Acquisition

2.2.3 Engineering

2.2.4 Major Equipment procurement

2.2.5 Construction and Interconnection

2.2.6 Milestone report

---

[1] For Purposes of this report, "Major" shall mean any activity, event, or occurrence which may have a material adverse effect on the construction of the Project or completion of the Project on a timely basis if such activity, event, or occurrence occurs or if such activity, event, or occurrence fails to occur as anticipated or scheduled, which material adverse effect includes, but is not limited to, Seller's inability to achieve a Milestone date.

2.2.7 Permitting

2.2.8 Startup Testing and Commissioning

3.0 Permitting.

The following describes each of the Major Governmental Approvals required for the construction of the Project and the status thereof:

3.1 State and/or Federal Governmental Approvals.

Please describe each of the Major state and/or Federal Governmental Approvals to be obtained by Seller (or Seller's contractor or construction engineer (the "Construction Contractor") (including its subcontractors)) and the status thereof:

DESCRIPTION	STATUS

3.2 Local and/or county Governmental Approvals.

Please describe each of the Major local and/or county Governmental Approvals to be obtained by Seller (or the Construction Contractor (including its subcontractors)) and the status of each.

DESCRIPTION	STATUS

3.3. Permitting activities that occurred during the previous month.

Please list all permitting activities that occurred during the previous month.

3.4 Permitting activities occurring during the current month.

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

3.5 Permitting Notices received from Construction Contractor.

Please attach to this Monthly Progress Report copies of any notices related to permitting activities received from Construction Contractor (including its subcontractors) during the previous month.

4.0 Design Activities.

4.1 Table of design schedule to be followed by Seller and its subcontractors.

The following table lists the design schedule to be followed by Seller and the Construction Contractor (including its subcontractors).

ACTIVITY	CONSTRUCTION CONTRACTOR/ SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

4.2 Design activities to be performed during the current month.

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

4.3. Table of design activities completed during the previous month.

Please explain in detail the design activities that were completed during the previous month.

5.0 Property Acquisition Activities.

5.1 Table of property acquisition schedule to be followed by Seller.

The following table lists the property acquisition schedule to be followed by Seller.

ACTIVITY	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

5.2 Property Acquisition activities to be performed during the current month.

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

5.3. Table of property acquisition activities completed during the previous month.

Please explain in detail the property acquisition activities that were completed during the previous month.

6.0 Engineering Activities.

6.1 Table of engineering schedule to be followed by Seller and the Construction Contractor (including its subcontractors).

The following table lists the engineering schedule to be followed by Seller and its subcontractors:

ACTIVITY	CONSTRUCTION CONTRACTOR/ SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

6.2 Engineering activities to be performed during the current month.

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

6.3. Engineering activities completed during the previous month.

Please explain in detail the engineering activities that were completed during the previous month.

6.4. Three-month look-ahead engineering schedule.

Please provide a three-month look ahead engineering schedule.

7.0 Major Equipment Procurement.

7.1 Table of major equipment to be procured by Seller or the Construction Contractor (including its subcontractors).

The following table lists major equipment to be procured by Seller or Construction Contractor (including its subcontractors):

EQUIPMENT DESCRIPTION	MANUFACTURER	MODEL	CONTRACTED DELIVERY DATE	ACTUAL DELIVERY DATE	PROJECTED INSTALLATION DATE	ACTUAL INSTALLATION DATE

7.2 Major Equipment procurement activities to be performed during the current month.

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

7.3 Major Equipment procurement activities completed during the previous month.

Please explain in detail the major equipment procurement activities that were completed during the previous month.

8.0 Construction and Interconnection Activities.

8.1 Table of construction and interconnection activities to be performed by Seller or Construction Contractor (including its subcontractors).

The following tables lists construction and interconnection activities to be performed by Seller and its subcontractors:

ACTIVITY	CONSTRUCTION CONTRACTOR/ SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

8.2 Construction interconnection activities to be performed during the current month.

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

8.3 Construction and interconnection activities completed during the previous month.

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

8.4 Construction Contractor Monthly Progress Report.

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

8.5 Three-month look-ahead construction and interconnection schedule.

Please provide a three-month look-ahead construction schedule.

9.0 Milestones.

9.1 Milestone schedule.

Please state the status and progress of each Milestone and identify any completed Milestone(s) for the previous month.

9.2 Remedial Action Plan (applicable if Seller fails to achieve Milestone by the Milestone Date).

Please explain in detail each of the following aspects of Seller's Remedial Action Plan, as provided in Section 3.8 of the Agreement:

9.2.1 Missed Milestone

9.2.2 Plans to achieve missed Milestone

9.2.3 Plans to achieve subsequent Milestone

9.2.4 Delays in engineering schedule

Please explain in detail any delays beyond the scheduled Milestone Dates stated in Section 5.1, any impact from the delays on the engineering schedule, and Seller's plans to remedy such impact.

9.2.5 Delays in Major Equipment procurement

Please explain in detail any delays beyond the contracted delivery date and/or the projected installation date stated in Section 6.1, any impact from the delays on Major Equipment procurement schedule, and Seller's plans to remedy such impact.

9.2.6 Delays in construction and interconnection schedule

Please explain in detail any delays beyond the scheduled completion dates stated in Section 7.1, any impact from the delays on the construction and interconnection schedule, and Seller's plans to remedy such impact.

10.0 Safety and Health Reports

10.1 Please list all accidents from the previous month:

10.2 Any work stoppage from the previous month:

10.3 Work stoppage impact on construction of the Project:

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

By:_____

Name:_____

Title:_____

Date:_____

APPENDIX VIII

NOTIFICATION REQUIREMENTS FOR OUTAGES

A. NOTIFICATION REQUIREMENTS FOR START-UP AND SHUTDOWN

Prior to paralleling to or after disconnecting from the electric system, ALWAYS follow your balancing authority rules and notify your designated balancing authority control center as follows:

- Call the balancing authority control center to parallel before any start-up
- Call the balancing authority control center again with parallel time after start-up.
- Call the balancing authority control center after any separation and report the separation time as well as the date and time estimate for return to service.

B. SUBMISSION OF 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 Outages, complete the specifics below and submit by email to DAenergy@pge.com and Bilat_Settlements@pge.com

        i. Email subject Field: dd/mm/yyyy – dd/mm/yyyy XYZ Company Project #2 Outage Notification

        ii. Email body:

            1. Type of Outage: Planned Outage, Forced Outage, Prolonged Outage

            2. Start Date and Start Time

3. ***Estimated or Actual End Date and End Time***

4. ***Date and time when reported to PG&E and name(s) of PG&E representative(s) contacted***

5. ***Text description of additional information as needed, including, but not limited to, changes to a Planned Outage or Prolonged Outage.***

APPENDIX IX

FORM OF AVAILABLE CAPACITY FORECASTING PROVISIONS

Available Capacity Forecasting. Seller shall provide the Available Capacity (as hereinafter defined) forecasts described below. Seller's availability forecasts below shall include Project availability and updated status of transformers, wind turbine unit status, and any other equipment that may impact availability. Seller shall use commercially reasonable efforts to forecast the Available Capacity of the Project accurately and to transmit such information in a format reasonably acceptable to Buyer. Buyer and Seller shall agree upon reasonable changes to the requirements and procedures set forth below from time-to-time, as necessary to comply with PSE Tariff and WECC changes, accommodate changes to their respective generation technology and organizational structure and address changes in the operating and Scheduling procedures of Buyer, including but not limited to automated forecast and outage submissions. For the purposes of this Appendix IX, "Available Capacity" shall mean the capacity from the Project that is available to generate Product without regard to wind speed.

(A) Annual Forecast of Available Capacity. No later than (I) the earlier of July 1 of the first Contract Year or forty-five (45) days before the first day of the first Contract Year of the Delivery Term, if applicable, and (II) July 1 of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly Available Capacity for an average day in each month of the following calendar year in a form reasonably acceptable to Buyer.

(B) Monthly Forecast of Available Capacity. Ten (10) Business Days before the beginning of each month during the Delivery Term, Seller or Seller's shall provide to Buyer a non-binding forecast of the hourly Available Capacity for each day of the following month in a form reasonably acceptable to Buyer.

(C) Daily Forecast of Available Capacity. During each month of the Delivery Term, Seller or Seller's agent shall provide a non-binding day ahead forecast of Available Capacity (the "Day-Ahead Availability Notice") to Buyer via Buyer's internet site, as provided in Appendix VIII, for each day no later than fourteen (14) hours before the beginning of the "Preschedule Day" (as defined by the WECC) for such day. The current industry standard Preschedule Day timetable in the WECC is as follows:

(1) Monday – Preschedule Day for Tuesday
(2) Tuesday – Preschedule Day for Wednesday
(3) Wednesday – Preschedule Day for Thursday
(4) Thursday – Preschedule Day for Friday and Saturday
(5) Friday – Preschedule Day for Sunday and Monday

Exceptions to this standard Monday through Friday Preschedule Day timetable are presently set forth by the WECC in order to accommodate holidays, monthly transitions and other events. Exceptions are posted on the WECC website (www.wecc.biz) under the document title, "Prescheduling Calendar." Each Day-Ahead Availability Notice shall clearly identify, for each hour, Seller's forecast of all amounts of Available Capacity pursuant to this Agreement. If the Available Capacity changes by at least 10.5 MW as of a time that is less than fourteen (14) hours prior to the Preschedule Day, then Seller must notify Buyer of such change by telephone and

shall send a revised notice to Buyer's Internet site set forth in Appendix VIII. Such notices shall contain the information required by Appendix VIII.

Day-Ahead Trading Desk
Primary Telephone: (415) 973-6222
Backup Telephone: (415) 973-4500

If Seller fails to provide Buyer with a Day-Ahead Availability Notice as required herein, then, until Seller provides a Day-Ahead Availability Notice, Buyer may rely on the most recent Day-Ahead Forecast of Available Capacity submitted by Seller to Buyer and Seller.

(D) Hourly Forecast of Available Capacity. During the Delivery Term, Seller shall notify Buyer of any changes in Available Capacity of 10.5 MW or more, whether due to Forced Outage, Force Majeure or other cause, as soon as reasonably possible. Such Notices shall contain information regarding the beginning date and time of the event resulting in the change in Available Capacity, the expected end date and time of such event, the expected Available Capacity in MW, and any other information required by PSE or reasonably requested by Buyer. With respect to any Forced Outage, Seller shall (I) use commercially reasonable efforts to notify Buyer of such outage within ten (10) minutes and Seller shall follow the Outage Notification Procedures in Appendix VIII of this Agreement. Seller shall inform Buyer of any developments that will affect either the duration of such outage or the availability of the Project during or after the end of such outage. These notices and changes to Available Capacity shall be communicated by telephone to Buyer's Hour-Ahead Trading Desk and shall be sent to Buyer's internet site as set forth in Appendix VIII:

Hour-Ahead Trading Desk
Primary Telephone: (415) 973-4500

APPENDIX X

RESOURCE ADEQUACY

1. Document Preparation. Seller shall prepare and execute any and all documents or instruments that are required to be prepared by a generation owner or operator and that are reasonably necessary to enable Buyer to use the RA Capacity to satisfy Buyer's Resource Adequacy Requirements. Buyer shall prepare and execute any and all other documents or instruments as are required to enable Buyer to use the RA Capacity to satisfy Buyer's Resource Adequacy Requirements. Such documents may include, but are not limited to, those necessary for Resource Adequacy administration to certify or qualify the Contract Capacity for Resource Adequacy Requirements purposes. This includes following the documentation requirements the CPUC has established and may establish in the future, for the calculation of RA Capacity over all hours required for Resource Adequacy Requirement eligibility, and for the delivery of the RA Capacity to the Interconnection Point and/or the Delivery Point. If Buyer needs information from Seller to complete the documents that Buyer is required to prepare and execute to enable Buyer to use the RA Capacity to satisfy Buyer's Resource Adequacy Requirements, Seller shall provide such information as and when reasonably requested by Notice from Buyer.

2. Reporting Requirements. Seller shall, or shall cooperate with Buyer's efforts to, comply with the following Resource Adequacy reporting requirements set forth in Section 40 of the CAISO Tariff:

A. Registering the Project with the CAISO.

B. Coordinating with Buyer with regard to the submission of the Monthly Resource Adequacy Plan, as defined in the CAISO Tariff, to the CAISO.

C. Complying with the applicable reporting requirements as provided in Section 1 of this Appendix X.

For purposes of the foregoing, "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.

3. RA Capacity Delivery Point. The delivery point for the Project, with respect to Buyer's Resource Adequacy Requirements, shall be the Interconnection Point and/or the Delivery Point.

APPENDIX XI

NOTICES LIST

Name: Vantage Wind Energy, LLC, a Delaware limited liability company ("Seller")
All Notices:
Vantage Wind Energy LLC
Attn: [redacted]

Delivery Address:
Street: One South Wacker Drive - Suite 1900
City: Chicago State: Il Zip: 60606

Mail Address: (if different from above)

Attn:

Phone: Phone: [redacted]
Facsimile: Facsimile: [redacted]

DUNS:

Federal Tax ID Number: 26-4072417

Invoices:
Attn: [redacted]
Phone: [redacted]
Facsimile: [redacted]

Scheduling:
Attn: [redacted]
Phone: [redacted]
Facsimile: [redacted]

Payments:
Attn: [redacted]
Phone: [redacted]
Facsimile: [redacted]

Wire Transfer: [redacted]
ABA: [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]
ABA: [redacted]

ACCT: [redacted]

Credit and Collections:
Attn: [redacted]
Phone: [redacted]
Facsimile: [redacted]

to Contract Manager:

Facsimile: [redacted]

With additional Notices of an Event of Default

Attn: Attn: [redacted]
Phone: [redacted]
Facsimile: [redacted]

ACCT: [redacted]
Acct Title: [redacted]

Credit and Collections:
Attn: Elaine Zhang
Manager, Credit Risk Management

Phone: (415) 973-2067
Facsimile: (415) 973-7031

Contract Manager:
Attn: Ted Yura (THY1@pge.com)
Manager, Contract Management
Phone: (415) 973-8660
Facsimile: (415) 973-2207

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

FORM OF CONSENT TO ASSIGNMENT

CONSENT AND AGREEMENT

This CONSENT AND AGREEMENT ("Consent and Agreement") is entered into as of [_____ __, 2___], between PACIFIC GAS AND ELECTRIC COMPANY ("PG&E"), and [_____] , as collateral agent (in such capacity, "Financing Provider"), for the benefit of various financial institutions (collectively, the "Secured Parties") providing financing to [_____] ("Seller").

RECITALS

A. Pursuant to that certain Power Purchase Agreement dated as of _____, 2___ (as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, collectively, the "Assigned Agreement") between PG&E and Seller, PG&E has agreed to purchase energy from Seller.

B. The Secured Parties have provided or have agreed to provide financing (including a financing lease) pursuant to one or more agreements (the "Financing Documents") to Seller, and require that Financing Provider be provided certain rights with respect to the "Assigned Agreement" and the "Assigned Agreement Accounts," each as defined below, in connection with such financing.

C. In consideration for the execution and delivery of the Assigned Agreement, PG&E has agreed to enter into this Consent and Agreement for the benefit of Seller.

AGREEMENT

1. Definitions. Any capitalized term used but not defined herein shall have the meaning specified for such term in the Assigned Agreement.

2. Consent. Subject to the terms and conditions below, PG&E consents to and approves the pledge and assignment by Seller to Financing Provider pursuant to the [Security Agreement] of (a) the Assigned Agreement, and (b) the accounts, revenues and proceeds of the Assigned Agreement (collectively, the "Assigned Agreement Accounts").

3. Limitations on Assignment. Financing Provider acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Financing Document executed by Seller, Financing Provider shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Financing Provider or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured and which are not personal to the Seller, (b) executes and delivers to PG&E a written assumption of all of Seller's rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to PG&E, (c) otherwise

satisfies and complies with all requirements of the Assigned Agreement, (d) provides such tax and enforceability assurance as PG&E may reasonably request, and (e) is a Permitted Transferee (as defined below). Financing Provider further acknowledges that the assignment of the Assigned Agreement and the Assigned Agreement Accounts is for security purposes only and that Financing Provider has no rights under the Assigned Agreement or the Assigned Agreement Accounts to enforce the provisions of the Assigned Agreement or the Assigned Agreement Accounts unless and until an event of default has occurred and is continuing under the Financing Documents between Seller and Financing Provider (a "Financing Default"), in which case Financing Provider shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Financing Provider were an original party to the Assigned Agreement.

"Permitted Transferee" means any person who is reasonably acceptable to PG&E. Financing Provider may from time to time, following the occurrence of a Financing Default, notify PG&E in writing of the identity of a proposed transferee of the Assigned Agreement, which proposed transferee may include Financing Provider, in connection with the enforcement of Financing Provider's rights under the Financing Documents, and PG&E shall, within thirty (30) business days of its receipt of such written notice, confirm to Financing Provider whether or not such proposed transferee is a "Permitted Transferee" (together with a written statement of the reason(s) for any negative determination) it being understood that if PG&E shall fail to so respond within such thirty (30) business day period such proposed transferee shall be deemed to be a "Permitted Transferee".

4. Cure Rights.

(a) Notice to Financing Provider by PG&E. PG&E shall, concurrently with the delivery of any notice of an event of default under the Assigned Agreement (each, an "Event of Default") to Seller (a "Default Notice"), provide a copy of such Default Notice to Financing Provider pursuant to Section 9(a) of this Consent and Agreement. In addition, Seller shall provide a copy of the Default Notice to Financing Provider the next business day after receipt from PG&E, independent of any agreement of PG&E to deliver such Default Notice.

(b) Cure Period Available to Financing Provider Prior to Any Termination by PG&E. Upon the occurrence of an Event of Default, subject to (i) the expiration of the relevant cure periods provided to Seller under the Assigned Agreement, and (ii) Section 4(a), PG&E shall not terminate the Assigned Agreement unless it or Seller provides Financing Provider with notice of the Event of Default and affords Financing Provider an Additional Cure Period (as defined below) to cure such Event of Default. For purposes of this Agreement "Additional Cure Period" means (i) with respect to a monetary default, ten (10) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement, and (ii) with respect to a non-monetary default, thirty (30) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement.

(c) Failure by PG&E to Deliver Default Notice. If neither PG&E nor Seller delivers a Default Notice to Financing Provider as provided in Section 4(a), the Financing Provider's applicable cure period shall begin on the date on which notice of an Event of Default is delivered

to Financing Provider by either PG&E or Seller. Except for a delay in the commencement of the cure period for Financing Provider and a delay in PG&E's ability to terminate the Assigned Agreement (in each case only if both PG&E and Seller fail to deliver notice of an Event of Default to Financing Provider), failure of PG&E to deliver any Default Notice shall not waive PG&E's right to take any action under the Assigned Agreement and will not subject PG&E to any damages or liability for failure to provide such notice.

(d) Extension for Foreclosure Proceedings. If possession of the Project (as defined in the Assigned Agreement) is necessary for Financing Provider to cure an Event of Default and Financing Provider commences foreclosure proceedings against Seller within thirty (30) days of receiving notice of an Event of Default from PG&E or Seller, whichever is received first, Financing Provider shall be allowed a reasonable additional period to complete such foreclosure proceedings, such period not to exceed ninety (90) days; provided, however, that Financing Provider shall provide a written notice to PG&E that it intends to commence foreclosure proceedings with respect to Seller within ten (10) business days of receiving a notice of such Event of Default from PG&E or Seller, whichever is received first. In the event Financing Provider succeeds to Seller's interest in the Project as a result of foreclosure proceedings, the Financing Provider or a purchaser or grantee pursuant to such foreclosure shall be subject to the requirements of Section 3.

5. Setoffs and Deductions. Each of Seller and Financing Provider agrees that PG&E shall have the right to set off or deduct from payments due to Seller each and every amount due PG&E from Seller whether or not arising out of or in connection with the Assigned Agreement. Financing Provider further agrees that it takes the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts subject to any defenses or causes of action PG&E may have against Seller.

6. No Representation or Warranty. Seller and Financing Provider each recognizes and acknowledges that PG&E makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement or the Assigned Agreement Accounts. Financing Provider is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement, and Financing Provider releases PG&E from any liability resulting from the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts.

7. Amendment to Assigned Agreement. Financing Provider acknowledges and agrees that PG&E may agree with Seller to modify or amend the Assigned Agreement, and that PG&E is not obligated to notify Financing Provider of any such amendment or modification to the Assigned Agreement. Financing Provider hereby releases PG&E from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

8. Payments under Assigned Agreement. PG&E shall make all payments due to Seller under the Assigned Agreement from and after the date hereof to [_____], as depositary agent, to ABA No. [_____], Account No. [_____], and Seller hereby irrevocably consents to any and all such payments being made in such manner. Each of Seller, PG&E and Financing Provider agrees that each such payment by PG&E to such depositary agent of amounts

due to Seller from PG&E under the Assigned Agreement shall satisfy PG&E's corresponding payment obligation under the Assigned Agreement.

9. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed received (i) at the close of business of the date of receipt, if delivered by hand or by facsimile or other electronic means, or (ii) when signed for by recipient, if sent registered or certified mail, postage prepaid, provided such notice was properly addressed to the appropriate address indicated on the signature page hereof or to such other address as a party may designate by prior written notice to the other parties, at the address set forth below:

If to Financing Provider:
Name:
Address:

Attn:
Telephone:
Facsimile:
Email:

If to PG&E:
Name:
Address:

Attn:
Telephone:
Facsimile:
Email:

(b) No Assignment. This Consent and Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of PG&E, and shall be binding on and inure to the benefit of the Financing Provider, the Secured Parties and their respective successors and permitted transferees and assigns under the [loan agreement] and [security agreement].

(c) No Modification. This Consent and Agreement is neither a modification of nor an amendment to the Assigned Agreement.

(d) Choice of Law. The parties hereto agree that this Consent and Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

(e) No Waiver. No term, covenant or condition hereof shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

(f) Counterparts. This Consent and Agreement may be executed in one or more duplicate counterparts, and when executed and delivered by all the parties listed below, shall constitute a single binding agreement.

(g) No Third Party Beneficiaries. There are no third party beneficiaries to this Consent and Agreement.

(h) Severability. The invalidity or unenforceability of any provision of this Consent and Agreement shall not affect the validity or enforceability of any other provision of this Consent and Agreement, which shall remain in full force and effect.

(i) Amendments. This Consent and Agreement may be modified, amended, or rescinded only by writing expressly referring to this Consent and Agreement and signed by all parties hereto.

IN WITNESS WHEREOF, each of PG&E and Financing Provider has duly executed this Consent and Agreement as of the date first written above.

PACIFIC GAS AND ELECTRIC COMPANY (PG&E)

By: _____

Name: _____

Title: _____

[_____]
(Financing Provider), as collateral agent

By: _____

Name: _____

Title: _____

ACKNOWLEDGEMENT

The undersigned hereby acknowledges the Consent and Agreement set forth above, makes the agreements set forth therein as applicable to Seller, including the obligation of Seller to provide a copy of any Default Notice it receives from PG&E to Financing Provider the next business day after receipt by Seller, and confirms that the Financing Provider identified above and the Secured Parties have provided or are providing financing to the undersigned.

[_____][name of Seller]

By: _____

Name: _____

Title: _____

APPENDIX XIII

SELLER DOCUMENTATION CONDITION PRECEDENT

Seller shall provide to Buyer, pursuant to the terms of Section 11.1 of the Agreement, all of the following documentation within five (5) Business Days after the Execution Date:

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") as in effect on the Execution Date.

2. A certificate signed by an authorized officer of Seller, dated the Execution Date, 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. Evidence of Site control (e.g. lease with redacted price terms) satisfactory to Buyer.

5. Evidence of CEC Pre-Certification and Verification satisfactory to Buyer.

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, dated within five (5) Business Days after the Execution Date, 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.

APPENDIX XIV

FORM OF ACTUAL AVAILABILITY REPORT

Pursuant to Sections 3.1(l)(i), 3.1(l)(iii) and 3.1(l)(iv), Seller shall prepare an Actual Availability Report in accordance with the procedures described in this Appendix XIV.

(a) Availability Workbook. Seller shall (i) collect the measurement data, listed in (b) below, in one (1) or more Microsoft Excel Workbooks (the "Availability Workbook") provided in a form and naming convention approved by Buyer and (ii) electronically send the Availability Workbook to an address provided by Buyer. The Actual Availability Report shall reflect the sum of the Settlement Interval Actual Available Capacity of all generators as measured by such generator's internal turbine controller.

(b) Log of Availability. The Availability Workbook shall be created on a single, dedicated Excel worksheet and shall be in the form of Attachment 1 to this Appendix XIV. The data presented in the Availability Workbook shall not reflect any Electrical Losses that occur between the PSE revenue meter and the Delivery Point.

APPENDIX XIV ATTACHMENT 1

Form of Microsoft Excel Worksheet

[Seller]'s Availability Report

All amounts are in MWs

Settlement Interval No.	Date	HE1	HE2	HE3	HE4	HE5	HE6	HE7	HE8	HE9	HE10	HE11	HE12	HE13	HE14	HE15	HE16	HE17	HE18	HE19	HE20	HE21	HE22	HE23	HE24
1	mm/dd/yyyy																								
2	mm/dd/yyyy																								
3	mm/dd/yyyy																								
4	mm/dd/yyyy																								
5	mm/dd/yyyy																								
6	mm/dd/yyyy																								
1	mm/dd/yyyy																								
2	mm/dd/yyyy																								
3	mm/dd/yyyy																								
4	mm/dd/yyyy																								
5	mm/dd/yyyy																								
6	mm/dd/yyyy																								
1	mm/dd/yyyy																								
2	mm/dd/yyyy																								
3	mm/dd/yyyy																								
4	mm/dd/yyyy																								
5	mm/dd/yyyy																								
6	mm/dd/yyyy																								

Date/Time of Submittal

APPENDIX XV

DELIVERY STRUCTURE DIAGRAM

Diagram of Delivery Structure