

## Appendix A - Interconnection Facilities - Added Facilities Basis

A.1 Edison shall design, purchase, construct own, operate and maintain all Interconnection Facilities at Seller's expense. The cost of the removable facilities portion of the Interconnection Facilities and the operation and maintenance thereof shall be paid by Seller on an added facilities basis pursuant to the attached Application and Contract for Interconnection Facilities.

A.2 Seller shall pay to Edison the total estimated cost for the nonremovable facilities portion of the Interconnection Facilities prior to the start of construction of the Interconnection Facilities. The costs of operation and maintenance shall be paid by Seller pursuant to the attached Application and Contract for Interconnection Facilities.

A.3 To the extent that Edison deems it necessary to effect the arrangements contemplated by this Agreement, Edison may, from time to time, design, install, operate, maintain, modify, replace, repair or remove any or all of the Interconnection Facilities. Any additions, modifications or replacement of equipment shall be treated as Interconnection Facilities. The cost of any addition, modification or replacement shall be added to the Interconnection Facilities contract by amendment. Equipment and/or Protective Apparatus which, in the opinion of Edison, is no longer required, shall be deleted from the Interconnection Facilities Contract.

## Application And Contract For Interconnection Facilities Plus Operation And Maintenance

The undersigned Seller hereby requests the Southern California Edison Company (Edison) to provide the facilities described on the last page hereof which are by this reference incorporated herein and are hereinafter called "Interconnection Facilities." Interconnection Facilities as defined and used herein are a group of Added Facilities (see Rule No. 2.H) which have been designated as Interconnection Facilities, to accommodate negotiation and preparation of contracts for parallel generation projects. Furthermore, for purposes of the cost allocations as provided in this agreement, such Interconnection Facilities shall be classified as either "Removable Facilities" or "Non-Removable Facilities" as described on the last page of this agreement. Interconnection Facilities, as are Added Facilities, shall be provided in accordance with the applicable Tariff Schedules of Edison. Such Interconnection Facilities shall be owned, operated and maintained by Edison. In consideration of Edison's acceptance of this application, Seller hereby agrees to the following:

1. Seller shall pay a monthly charge for the removable facilities portion of the Interconnection Facilities in the amount of 1.7% of the added investment as determined by Edison and as entered by Edison on the last page hereof. The monthly charge shall be adjusted periodically in accordance with the prorata operation and maintenance charges for added facilities pursuant to Rule No. 2.H.2.C. The monthly charge may be based upon estimated costs of the removable facilities portion of the Interconnection Facilities and when the recorded book cost of the removable facilities portion of the Interconnection Facilities has been determined by Edison, the charges shall be adjusted retroactively to the date when service is first rendered by means of such

Interconnection Facilities. Additional charges resulting from such adjustment shall, unless otherwise mutually agreed, be payable within thirty (30) days from the date of presentation of a bill therefor. Any credits resulting from such adjustment shall, unless otherwise mutually agreed, be refunded within thirty (30) days following demand of Seller.

2. Seller shall pay to Edison, prior to the start of construction of the Interconnection Facilities, the total estimated costs for the non-removable facilities portion of the Interconnection Facility as determined by Edison. The estimated costs for the Interconnection Facilities, as entered on the last page hereof, shall be determined by Edison. In the event Seller abandons its plans for installation of such Interconnection Facility, for any reason whatsoever, including failure to obtain any required permits, Seller shall reimburse Edison upon receipt of supporting documentation for any and all expenses incurred by Edison pursuant to this agreement within thirty (30) days after presentation of a bill.

3. Seller shall pay a monthly operation and maintenance charge for the non-removable facilities portion of the Interconnection Facilities' operation and maintenance in the amount of .9% of the added investment as determined by Edison and as entered by Edison on the last page hereof. The monthly charge shall be adjusted periodically in accordance with the pro-rata operation and maintenance charges for added facilities pursuant to Rule No. 2.H.2.B. The monthly charge may be based upon estimated costs of the non-removable facilities portion of the Interconnection Facilities and when the recorded book cost of the non-removable facilities portion of the Interconnection Facilities has been determined-by Edison, the charges shall be adjusted retroactively to the date when such Interconnection Facilities are available for use. Additional charges resulting from such adjustment shall, unless other terms are mutually agreed upon, be payable within thirty (30) days from the date of presentation of a bill therefor. Any credits resulting from such adjustment shall, unless otherwise mutually agreed, be refunded within thirty (30) days following demand of Seller.

4. Whenever a change is made in the removable facilities portion of the Interconnection Facilities which results in changes in the added investment, the monthly charge shall be adjusted on the basis of the revised added investment. The description of the Interconnection Facilities shall be amended by Edison to reflect any changes in equipment, installation and removal cost, amount of added investment, and monthly charge resulting from any such change in the removable facilities portion of the Interconnection Facilities or adjustment as aforesaid.

5. Whenever a change is made in the non-removable facilities portion of the Interconnection Facilities which results in changes in the added equipment investment, the cost of such change shall be payable by Seller within sixty (60) days from the date of presentation of a bill therefore. The description of the Interconnection Facilities shall be amended by Edison to reflect any changes in equipment, installation and removal cost, and amount of added investment. If required, the monthly charge resulting from any such change in the non-removable facilities, portion of the Interconnection Facilities shall be adjusted on the basis of the revised added investment.

6. All monthly charges payable hereunder shall commence upon the date when said Interconnection Facilities are available for use and shall first be payable fifteen (15) days after Edison submits the first bill therefor and shall continue until the abandonment of such Interconnection Facilities by Seller, subject to the provisions of Paragraphs 2. and 7. hereof.

7. If the Interconnection Facilities are abandoned by termination of service or otherwise, prior to five (5) years from the date Seller's Generating Facility is operational, Seller shall pay to Edison estimated cost of equipment and installation plus the cost of removing the removable facilities portion of the Interconnection Facilities less the estimated salvage value, within thirty (30) days after presentation of a bill therefor. Alternatively, Seller may pay to Edison, as a single payment, the sum of the monthly charges from paragraphs 1, 3, 4 and 5 hereof for the period beginning on the date on which said facilities are to be removed and ending on a date five (5) years from the date on which monthly charges, commenced pursuant to provisions of paragraphs 4 and 5 hereof. Such alternative payment shall be made not later than thirty (30) days prior to the date on which Edison is to remove the Interconnection Facilities. If the Interconnection Facilities have been only partially constructed prior to such abandonment, Seller agrees to pay to Edison the amount expended by Edison (not exceeding the estimated installation and removal cost) for installing and removing the partially constructed Interconnection Facilities within thirty (30) days after presentation of a bill therefor. If the Interconnection Facilities are abandoned solely by Edison at any time prior to or within the five (5) year term of this agreement, as of the date of abandonment, Seller's obligation to pay Interconnection Facilities charges, pursuant to paragraph 1, shall terminate and Seller shall not have any obligation to pay the charges described in this paragraph 7.

8. Seller shall provide evidence, to Edison's satisfaction, of Seller's ability to perform its obligations pursuant to Paragraph 7 above, within ninety (90) days after Edison has provided Seller with Edison's cost for the Interconnection Facilities and the estimated removal costs of Interconnection Facilities, Seller shall provide to Edison said evidence by means of a performance bond or other evidence as agreed to by both Parties.

9. Seller agrees to utilize said Interconnection Facilities in accordance with good operating practice and to reimburse Edison for damage to said Facilities occasioned or caused by the Seller or any of his agents, employees or licensees. Failure so to exercise due diligence in the utilization of said Interconnection Facilities shall give Edison the right to terminate this contract, to remove said facilities and to demand immediate reimbursement for the equipment installation and removal costs, less the estimated salvage value if the facilities are removed within five (5) years from the date of this contract.

10. Edison's performance under this Contract is subject to the availability of materials required to provide the Interconnection Facilities provided for herein and to all applicable Tariff Schedules of Edison.

11. The parties also understand and agree that due to equipment acquisition lead time and construction time requirements, Edison requires a minimum of twelve months from the time of authorization to construct the aforementioned Interconnection Facility and place it in operation.

Edison shall have no obligation to Seller with regard to any target date established by Seller which is less than eighteen (18) months from the date this application is executed. However, Edison shall exercise its best effort to meet Seller's projected operational date.

12. (If applicable) This Contract for Interconnection Facilities supplements the appropriate application and contract(s) for electric service presently in effect between Seller and Edison.

13. This Contract shall to the extent provided by law at all times be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission may, from time to time, direct in the exercise of its jurisdiction.

DATED: April 16, 1985

SELLER:

RENEWABLE ENERGY

VENTURES INCORPORATED

WITNESS

BY

R. David Di Julio

Vice President

Approved and Accepted for

SOUTHERN CALIFORNIA EDISON COMPANY

BY

Edward A. Myers, Jr.

Vice President

SERVICE ADDRESS: Section 14, Township 3 South, Range 3 East, SBB&M

DATE APPLICANT-DESIRES INTERCONNECTION FACILITIES

AVAILABLE: August 1, 1985

DATE APPLICANT WILL BEGIN CONSTRUCTION OF THE GENERATING FACILITY:

April 1, 1985

DESCRIPTION OF INTERCONNECTION FACILITIES\*:

o 115 kV line extension and tap

o TE Substation complete including 115 kV circuit breaker, relay protection package with associated control transformer, relays, batteries, battery charger, and 12 kV metering.

oPermits and Approvals

REMOVABLE FACILITIES PORTION OF THE INTERCONNECTION FACILITIES

ADDED INVESTMENT\*\*: ESTIMATED600,000

ADDED NVESTMENT: RECORDED BOOK COST \$ \_\_\_\_\_

ESTIMATED INSTALLATION AND REMOVAL COST\*: \$350,000

NON-REMOVABLE FACILITIES PORTION OF THE INTERCONNECTION FACILITIES

ADDED INVESTMENT\*: ESTIMATED \$-0-

ADDED INVESTMENT: RECORDED BOOK COST \$ \_\_\_\_\_

DATE SERVICE FIRST RENDERED BY MEANS OF THE INTERCONNECTION FACILITIES: \_\_\_\_\_

\*The substation is being constructed to serve the Whitewater A and Whitewater B wind parks. The first of these parks to go on line shall absorb the full cost of the substation until such time as the second park comes on line. At that time, the cost of the substation shall be apportioned: 64% to Whitewater A and 36% to Whitewater B. If at a later time another developer utilizes the available capacity of the substation, the costs of the substation shall be apportioned according to nameplate capacity. "Cost estimates are for information purposes only and are not binding unless provided in writing by Edison pursuant to a written request by Seller.