

MASTER POWER PURCHASE AND SALE AGREEMENT
COVER SHEET

This *Master Power Purchase and Sale Agreement* (Version 2.1; modified 4/25/00) ("Master Agreement") is made as of the following date: May 5, 2009 ("Effective Date"). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any Confirmations accepted in accordance with this Agreement) shall be referred to as the "Agreement." The Parties to this *Master Agreement* are the following:

Name: NaturEner Rim Rock Wind Energy LLC
("Party A")

Name: San Diego Gas & Electric Company ("Party B")

All Notices:

Street: 394 Pacific Avenue, Suite 300
City: San Francisco, CA 94111
Attn: Contract Administration
Phone: 415-217-5500
Facsimile: 415-217-5599

All Notices:

Street: 8315 Century Park Court
City: San Diego, CA Zip: 92123
Attn: Contract Administration
Phone: (858) 650-6176
Facsimile: (858) 650-6190
Duns: 006911457

Invoices:

Attn: Energy Accounting Manager
Phone: 415 217 5500
Facsimile: 415 217 5599

Invoices:

San Diego Gas & Electric Company
8315 Century Park Ct.
San Diego, California 92123-1593
Attn: Energy Accounting Manager
Phone: (858) 650-6177
Facsimile: (858) 650-6190

Scheduling:

Attn: Asset Management
Phone: 415 217 5500
Facsimile: 415 217 5599

Scheduling:

San Diego Gas & Electric Company
8315 Century Park Ct.
San Diego, California 92123-1593
Attn: Transaction Scheduling Manager
Phone: (858) 650-6160
Facsimile: (858) 650-6191



Payments:

Attn: Energy Accounting Manager
Phone: 415 217 5500
Facsimile: 415 217 5599

Wire Transfer:

BNK: Bank of America
ABA: ABA 026009593
ACCT: 0033568768
Confirmation: John Pomeroy
FAX: 415 986 1248
Beneficiary: NaturEner USA, LLC on behalf of
NaturEner Rim Rock Wind Energy LLC

Credit and Collections:

Attn: Energy Accounting Manager
Phone: 415 217 5500
Facsimile: 415 217 5599

With additional Notices of an Event of Default or
Potential Event of Default to:

Attn: General Counsel
Phone: 415 217 5500
Facsimile: 415 217 5599

Payments:

San Diego Gas & Electric Company
PO Box 25110
Santa Ana, CA 92799-5110
Attn: Mail Payments
Phone: (619) 696-4521
Facsimile: (619) 696-4899

Wire Transfer:

BNK: Union Bank of California
for: San Diego Gas & Electric Company
ABA: Routing # 122000496
ACCT: #4430000352
Confirmation: SDG&E, Major Markets
FAX:(213) 244-8316

Credit and Collections:

San Diego Gas & Electric Company, Major Markets
555 W. Fifth Street, ML 10E3
Los Angeles, CA 90013-1011
Attn.: Major Markets, Credit and Collections Manager
Fax No.: (213) 244-8316
Phone: (213) 244-4343

With additional Notices of an Event of Default or
Potential Event of Default to:

Sempra Energy
101 Ash Street
San Diego, CA 92101
Attn: Assistant General Counsel, Commercial Law
Facsimile: (619) 696-4377

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff FERC market based rate authority to be obtained prior to the start of the Delivery Term.
Party B Tariff FERC Electric Tariff, Original Volume No. 10, Original Sheet Nos. 1-3

(Supersedes FERC Electric Tariff, Original Volume Nos. 7 and 8)
Effective May 12, 2003, Docket No. ER03-418-000.

Article Two TO BE DETERMINED

Transaction Terms and Conditions Optional provision in Section 2.4. If not checked, inapplicable.

Article Four TO BE DETERMINED

Remedies for Failure to Deliver or Receive Accelerated Payment of Damages. If not checked, inapplicable.

Article Five TO BE DETERMINED

Events of Default; Remedies

- Cross Default for Party A:
 - Party A: N/A Cross Default Amount: N/A
 - Other Entity: N/A Cross Default Amount: N/A
- Cross Default for Party B:
 - Party B: N/A Cross Default Amount: N/A
 - Other Entity: N/A Cross Default Amount: N/A

5.6 Closeout Setoff

- Option A (Applicable if no other selection is made.)
- Option B – Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows:
- Option C (No Setoff)

Article 8 TO BE DETERMINED

Credit and Collateral Requirements

8.1 Party A Credit Protection:

- (a) Financial Information:
 - Option A
 - Option B Specify: _____
 - Option C Specify: _____
- (b) Credit Assurances:
 - Not Applicable
 - Applicable
- (c) Collateral Threshold:

Not Applicable

Applicable

If applicable, complete the following: N/A

Party B Collateral Threshold: \$ _____; provided, however, that Party B's Collateral Threshold shall be zero if an Event of Default or Potential Event of Default with respect to Party B has occurred and is continuing.

Party B Independent Amount \$ _____

Party B Rounding Amount \$ _____

(d) Downgrade Event:

Not Applicable

Applicable

If applicable, complete the following: N/A

It shall be a Downgrade Event for Party B if Party B's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party B is not rated by either S&P or Moody's

Other:

Specify: _____

(e) Guarantor for Party B: None

Guarantee Amount: None

8.2 Party B Credit Protection:

(a) Financial Information:

Option A

Option B Specify: Guarantor

Option C Specify:

(b) Credit Assurances:

Not Applicable

Applicable



(c) Collateral Threshold:

Not Applicable

Applicable

If applicable, complete the following: N/A

Party A Collateral Threshold: \$ _____; provided, however, that Party A's Collateral Threshold shall be zero if an Event of Default or Potential Event of Default with respect to Party A has occurred and is continuing.

Party A Independent Amount \$ _____

Party A Rounding Amount \$ _____

(d) Downgrade Event:

Not Applicable

Applicable

If applicable, complete the following: N/A

It shall be a Downgrade Event for Party A if Party A's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party A is not rated by either S&P or Moody's

Other:

Specify: _____

(e) Guarantor for Party A: Meeting the criteria set forth in Section 8.4, Grupo Naturener, S.A or a replacement Guarantor which is a U.S. entity and is otherwise reasonably acceptable to Party B

Guarantee Amount: \$10,538,280

(f) 8.4 If the parties elect as being applicable, Section 8.4 shall apply:

Not Applicable

Applicable

Article 10.11

Confidentiality

Option A: Confidentiality Applicable. If not checked, inapplicable.

Option B: Confidentiality Notification: If Option B is checked on the Cover Sheet, Seller has waived its right to notification in accordance with Section 10.11(v).

Schedule M

Party A is a Governmental Entity or Public Power System

Party B is a Governmental Entity or Public Power System

Add Section 3.6. If not checked, inapplicable

Add Section 8.4. If not checked, inapplicable

Schedule P

Schedule P: Products and Related Definitions shall be deleted in its entirety.

Other Changes

Specify, if any: The following changes shall be applicable:

Article One. General Definitions.

(a) **Definitions.** The following definitions are amended as set forth below:

(1) Section 1.11 "Costs" shall be deleted in its entirety and replaced with the following:

"Costs" means, with respect to the Non-Defaulting Party, 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 entering into new arrangements which replace a Terminated Transaction; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of a Transaction.

(2) Section 1.23 "Force Majeure" shall be deleted in its entirety and replaced with the following:

"Force Majeure" means any cause or event beyond the reasonable control of the affected Party which was not anticipated as of the date of the Transaction and not due to the fault

or negligence of the Party affected, and which could not have been avoided by due diligence and use of reasonable efforts, including but not limited to (but only to the extent that the following examples satisfy such definition): (a) acts of God such as extreme weather conditions, droughts, floods, earthquakes, (b) fires, explosions, accidents that could not have been prevented by acting in accordance with Good Utility Practice (defined below), (c) war (declared or undeclared), riots, insurrection, rebellion, acts of the public enemy, acts of terrorism and sabotage, blockades, embargoes, industry-wide strikes (d) prior to Commercial Operation: high winds and low temperatures preventing the construction of turbines or wet soils preventing the construction of foundations and (e) after the condition precedent in Section 1.4 of the Confirmation Letter has been satisfied or waived but prior to Commercial Operation, delays in the construction of the MATL transmission line. Notwithstanding anything to the contrary in the foregoing, the following shall not constitute Force Majeure: (a) lack of finances; (b) breakage or malfunction of equipment (except to the extent that such failure was caused by an event that would otherwise satisfy the definition of a Force Majeure event as defined above or Serial Defect as defined in Section 1.65); (c) changes in governmental approvals or the conditions imposed thereunder or the failure to grant or renew such governmental approvals; or (d) 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.

"Good Utility Practice" means any practices, methods and acts (i) required by the National Electric Safety Code or NERC, whether or not Seller is a member thereof, or (ii) otherwise engaged in or approved by a significant portion of the utility wind electric generation industry during the relevant time period or any of the practices, methods and acts that in the exercise of commercially 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 and expedition. Good Utility Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the region.

(3) Section 1.24 "Gains" shall be deleted in its entirety and replaced with the following:

“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 a Terminated Transaction for the remaining term of such Transaction, determined in a commercially reasonable manner, solely with respect to Green Attributes. 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NYMEX), all of which should be calculated for the remaining term of the applicable Transaction.

- (4) Section 1.25 shall be modified by adding the following as the last sentence: “Guarantor shall issue a Guaranty in substantially the same format attached hereto as Exhibit B.”
- (5) Section 1.27 shall be modified by adding the words “, and substantially in the same form as the Letter of Credit template attached hereto as Exhibit C” at the end of the first sentence.
- (6) Section 1.28 “Losses” shall be deleted in its entirety and replaced with the following:

“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 a Terminated Transaction for the remaining term of such Transaction, determined in a commercially reasonable manner, solely with respect to Green Attributes. Factors used in determining the loss of economic benefit may include, without limitation, reference to information 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g. NYMEX), all of which should be calculated for the remaining term of the applicable Transaction.

- (7) Sections 1.35 and 1.36 shall be modified by deleting the phrase “as defined in Schedule



P.” and replacing such phrase with “as defined in the Confirmation.”

- (8) Section 1.45 shall be modified by including the words “acceptable to the requesting Party” after the words “Letter(s) of Credit”.
- (9) Section 1.51 is amended by replacing the current definition with the following:

“Replacement Price” means the price at which Buyer, acting in a commercially reasonable manner, purchases for delivery a replacement for any Green Attributes and meets the requirements of Section 10.2(xiii) but was not delivered by Seller, plus costs reasonably incurred by Buyer in purchasing such substitute Green Attributes, or absent a purchase, the market price for such Green Attributes that satisfies the California Renewables Portfolio Standard as determined by Buyer in a commercially reasonable manner. In no event shall such price include any ratcheted demand or similar charges, nor shall Buyer be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Seller’s liability. For the purposes of this definition, Buyer shall be considered to have purchased replacement Green Attributes to the extent Buyer shall have entered into one or more arrangements for purchase of replacement Green Attributes, either as part of a “bundled REC” transaction or through the purchase of “Tradable RECs”, and in a commercially reasonable manner.

“California Renewables Portfolio Standard” means the Renewables Portfolio Standard of California under California Senate Bills 1078 and 107 as codified in Sections 387, 390.1, and 399.25 and Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of, the California Public Utilities Code, as such code reference may be amended from time to time.

- (10) Section 1.53 is amended by replacing the current definition with the following:

“Sales Price” means the price at which Seller, acting in a commercially reasonable manner, resells any Green Attributes not received by Buyer, deducting from such proceeds any costs reasonably incurred by Seller in reselling such Green Attributes including all costs charged by the applicable independent system operator (“ISO”) to deliver the Green Attributes into the ISO System. In no event shall such price include any ratcheted demand or similar charges, nor shall Seller be required to utilize or change

its utilization of its owned or controlled assets, including contractual assets, or market positions to minimize Buyer's liability. The Sales Price may be less than zero.

(11) Section 1.62 is added as follows:

"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.

(12) Section 1.63 is added as follows:

"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 (SO_x), nitrogen oxides (NO_x), 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 atmosphere¹; (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.

(13) Section 1.64 is added as follows:

"Law" means any statute, law, treaty, rule, regulation, ordinance, code, governmental approval, 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.

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.



(14) Section 1.65 is added as follows:

“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); (b) the component manufacturer has issued a bulletin regarding the defect; and (c) 25% or more of the same component or Units included in the Project contains the same defect in any six (6) 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) and is not free of material defects in material and workmanship, or (ii) fails to conform to applicable technical or design specifications.”

(15) Section 1.66 is added as follows:

“Renewable Energy Credit” has the meaning set forth in Public Utilities Code Section 399.12(g), as may be amended from time to time or as further defined or supplemented by Law. “

Article Two: Transaction Terms and Conditions

- (a) Amend Section 2.1 by deleting the phrase “orally, or if expressly required by either party with respect to a particular Transaction,”
- (b) Section 2.3 shall be deleted in its entirety.

Article Three: Obligations and Deliveries

- (a) Section 3.2 “Transmission and Scheduling” shall be deleted.
- (b) Force Majeure. Add the following paragraph at the end of Section 3.3:

“Before and after the date of Commercial Operation, this Agreement may be terminated by the non-Claiming Party with no further obligation to either Party if a Force Majeure event prevents the performance of a material portion of the obligations hereunder and such Force Majeure is not resolved within ten (10) months after the notice given above or if Seller has not met Commercial Operation by October 1, 2012 by reason of Force Majeure subset (e).”

- (c) Green Attributes. The Parties agree to add the following new Section 3.4:

“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.”

- (d) Climate Action Registry. The Parties agree to add the following new Section 3.5:

“Climate Action Registry. Seller shall register the Facility with the California Climate Action Registry as may be required by the CPUC pursuant to Decision 06-02-032 and any subsequent order, but in any event, no later than the date of Commercial Operation.”

- (e) WREGIS. The Parties agree to add the following new Section 3.6:

“WREGIS. Prior to the date of Commercial Operation, Seller shall register the Facility in the Western Renewable Energy Generating Information System or any successor renewable energy tracking program (“WREGIS”), and take all other action necessary to ensure that the Energy and Green Attributes produced from the Facility are tracked for purposes of satisfying the requirements of the California Renewable Portfolio Standard. In the event that WREGIS is not in operation as of the date of Commercial Operation, Seller shall perform its obligations as required per this subsection, as soon as WREGIS is in operation.”

Article Five: Events of Default

- (a) **Section 5.1 Events of Default.**

Section 5.1(c) is amended by deleting the reference to “three (3) Business Days” and replacing it



with “thirty (30) days.”

Amend Sections 5.1(b) and 5.1(h)(i) by adding the following at the end thereof: “or with respect to the representations and warranties made pursuant to Section 10.2 of this Agreement or any additional representations and warranties agreed upon by the Parties, any such representation and warranty becomes false or misleading in any material respect during the term of this Agreement or any Transaction entered into hereunder.”

Within Section 5.1, add the following new Events of Default:

- “(i) if at any time during the Term of Agreement, Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement electrical power that was not generated by the Unit(s);
- (j) failure to meet the performance requirements agreed to pursuant to Section 7.1 of the Confirmation Letter; or
- (k) a Guaranty Default as described in Section 8.4.”

(b) Section 5 Declaration of an Early Termination Date and Calculation of Settlement Amount.

Section 5.2, 5.3, 5.4, and 5.5 shall be deleted in their entirety and replaced with the following:

“5.2 Declaration of Early Termination Date and Calculation of Settlement Amounts: If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (“Non-Defaulting Party”) shall have the right to (i) designate a day, no earlier than the day such notice is effective and no later than 20 days after such notice is effective, as an early termination date (“Early Termination Date”) to accelerate all amounts owing between the Parties and to liquidate and terminate all, but not less than all, Transactions (each referred to as a “Terminated Transaction”) between the Parties, (ii) withhold any payments due to the Defaulting Party under this Agreement and (iii) suspend performance. The Non-defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for each such 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. The Settlement Amount shall not include 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.

5.3 Net Out of Settlement Amounts. The Non-Defaulting Party shall aggregate all Settlement Amounts into a single amount by: netting out (a) all Settlement Amounts that are due to the Defaulting Party, plus, at the option of the Non-Defaulting Party, any cash or other form of security then available to the Non-Defaulting Party pursuant to Article Eight, plus any or all other amounts due to the Defaulting Party under this Agreement against (b) all Settlement Amounts that are due to the Non-Defaulting Party, plus any or all other amounts due to the Non-Defaulting Party under this Agreement, so that all such amounts shall be netted out to a single liquidated amount (the “Termination Payment”). 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.

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 two (2) 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 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; provided, however, that if the Termination Payment is due from the Defaulting Party, the Defaulting Party shall first transfer Performance Assurance to the Non-Defaulting Party in an amount equal to the Termination Payment.”

(c) Section 5.7 Suspension of Performance.

Section 5.7 is amended by deleting the phrase “ten (10) NERC Business Days” and replacing it with “five (5) NERC Business Days.”

Further amend Section 5.7 by the deletion of the “(a)” preceding “an Event of Default” and deletion of the following phrase in the first sentence “or (b) a Potential Event of Default”.

Article Six: Payment and Netting

(a) Section 6.2 Timeliness of Payment.

Section 6.2 shall be deleted in its entirety and replaced by the following:

“Timeliness of Payment. Unless otherwise agreed by the Parties in a Transaction, all invoices under this Master Agreement shall be due and payable in accordance with each Party’s invoice instructions thirty (30) days after receipt of the invoice or, if such day is not a Business Day, then on the next 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 amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Seller shall submit a monthly invoice via fax and email during the Delivery Period. Buyer has 30 days to pay the invoice. The invoices shall be itemized, identifying all component charges and unit prices. The invoices shall identify the Output delivered during all hours of the month. The invoices shall describe in reasonable detail the calculations used to arrive at invoiced amounts.”

(b) Section 6.7

Section 6.7 Payment for Options is amended by deleting the text and substituting therefore “Intentionally omitted.”

Article Eight: Credit and Collateral Requirements

(a) Party A Credit Protection. The first three sentences in Section 8.1 shall be deleted in their entirety and replaced with the following:

“8.1 Party A Credit Protection. The applicable credit and collateral requirements shall be as specified on the Cover Sheet and shall only apply if marked as “Applicable” on the Cover Sheet.”

(b) Party B Credit Protection. The first three sentences in Section 8.2 shall be deleted in their entirety and replaced with the following:

“8.2 Party B Credit Protection. The applicable credit and collateral requirements shall be as specified on the Cover Sheet and shall only apply if marked as “Applicable” on the Cover Sheet.”



- (c) **Performance Security.** Section 8.3 is amended by deleting “or deemed occurrence” from the beginning of the second sentence. If the Parties elect as being applicable on the Cover Sheet, the following new Section 8.4 shall be added:

“8.4 To secure its obligations under this Agreement, in addition to satisfying any credit terms pursuant to the terms of Section 8.2 to the extent marked applicable, Seller agrees to deliver to Buyer (the “Secured Party”) (a) within thirty (30) days of the date on which all of the conditions precedent set forth in Section 1.0 of the Confirmation are either satisfied or waived, and Seller shall maintain in full force and effect until the Commercial Operation date, a Guaranty in the amount of \$10,538,280, the form of which shall be substantially similar to the form attached hereto as Exhibit B; and (c) from the Commercial Operation date until the end of the Term a Guaranty in the amount of \$10,538,280, the form of which shall be substantially similar to the form attached hereto as Exhibit B.

Except as expressly provided elsewhere in this Agreement, the security posted under this Section 8.4 shall not be deemed a limitation of damages. Buyer shall return the unused portion of security posted under Section 8.4 to Seller promptly after the following have occurred: (a) the Term of the Agreement has ended; and (b) all payment obligations of the Seller arising under this Agreement, including compensation for Penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting).

When cash is posted as security: Buyer shall pay interest on cash held as security at the Collateral Interest Rate. On or before each Interest Payment Date, Buyer shall transfer the Interest Amount due to Seller for such security in the form of cash by wire transfer to the bank account specified under “Wire Transfer” in the Cover Sheet.

“Collateral Interest Rate” shall mean the rate per annum equal to the “Monthly” Commercial Paper rate (Prime, 3 months) published the prior month in the Federal Reserve Statistical Release, or its successor publication.

“Interest Payment Date” shall mean the last Business Day of each calendar year.

“Interest Amount” shall mean, with respect to an Interest Period, the amount of interest derived from: (w) the sum of (i) the principal amount of security in the form of cash held by Buyer during that Interest Period, and (ii) the sum of all accrued and unpaid

Interest Amounts accumulated prior to such Interest Period; multiplied by (x) the Collateral Interest Rate in effect on the first day of the Interest Period; multiplied by (y) the number of days in that Interest Period; (z) divided by 360.

“Interest Period” means the monthly period beginning on the first day of each calendar month and ending on the last day of each month.

When Letters of Credit are posted as security: all Letters of Credit shall be subject to the following provisions:

(a) The Seller shall (i) 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, (ii) if the issuer has indicated its intent not to renew such Letter of Credit, provide a substitute Letter of Credit at least sixty (60) days prior to the expiration of the outstanding Letter of Credit, and (iii) if an issuer of a Letter of Credit shall fail to honor the Buyer’s properly documented request to draw on an outstanding Letter of Credit, provide for the benefit of the Buyer a substitute Letter of Credit, that is issued by an alternate issuer acceptable to the Buyer within five (5) Business Days after the Seller receives notice of such refusal.

(b) “Letter of Credit Default” shall mean with respect to an outstanding Letter of Credit, the occurrence of any of the following events: (i) the issuer of such Letter of Credit shall fail to maintain a Credit Rating of at least “A-“ by S&P or “A3” by Moody’s; (ii) the issuer of the Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit if such failure shall be continuing after the lapse of any applicable grace period; (iii) the issuer of such Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit; or (iv) Seller shall fail to meet the requirements of this Section 8.4 after the applicable cure periods, if any.

(c) In all cases, the reasonable costs and expenses of establishing, renewing, substituting, canceling, increasing and reducing the amount of (as the case may be) one or more Letters of Credit shall be borne by the Seller. Seller shall also be responsible for the reasonable costs, expenses and attorneys’ fees, including reasonably allocated costs of in-house counsel of the Buyer in an instance in which Seller is in default and Buyer exercises its rights to enforce the Letter of Credit.

When a Guaranty is posted as security: all Guaranties shall be subject to the following provision:

“Guarantor Default” shall mean, with respect to an outstanding Guaranty, the occurrence of any of the following events: (i) if the Guarantor's senior unsecured long term debt is rated and the Guarantor shall fail to maintain an unsecured credit rating of at least BBB- from Standard & Poor's or at least Baa3 from Moody's; (ii) if the Guarantor's senior unsecured long term debt is not rated and the Guarantor either (a) fails to have a tangible net worth of at least \$3 billion or (b) fails to maintain a liability/equity ratio (calculated as total liabilities/ (total liabilities plus equity), as such terms are listed on Guarantor's balance sheets) that is less than 65%; or (iii) an Event of Default under Section 5.1(h) of this Agreement, and Seller fails to cure any Guarantor Default within fifteen (15) days by delivering to Buyer cash or a Letter of Credit from an issuer and in a form acceptable to Buyer.”

Article Ten: Miscellaneous

- (a) **Term of Master Agreement.** Add the following sentence to Section 10.1: “The Transaction shall terminate on the day following the last day of the Delivery Period, unless terminated sooner pursuant to the express provisions of this Agreement”.

- (b) **Representations, Warranties, and Covenants.**

Section 10.2(vi) is amended to delete the phrase “or any of its Affiliates.”

Section 10.2(xiii) shall be added as follows and such representation and warranty shall be contingent on Buyer satisfying the California Energy Commission’s requirements imposed on a purchaser from out-of-state facilities, if any, as stated in the *Renewables Portfolio Standard Eligibility Guidebook* (or in any successor rule, regulation or guidebook) to re-bundle or match the Product delivered by Seller to and at the Delivery Point to an equal or greater volume of other energy sourced from within the WECC outside California that Buyer imports into California in the same calendar year:

“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) Title and Risk of Loss.

Section 10.3 shall be deleted in its entirety and replaced with the following:

“Title to and risk of loss related to the Product (A) as defined in the Confirmation Letter shall transfer from Seller to Buyer at the Delivery Point. Title to and risk of loss related to the Product (B) as defined in the Confirmation Letter shall transfer from Buyer to Seller at the Delivery Point. Seller warrants that it will deliver to Buyer the Quantity of Product (A) free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point. Buyer warrants that it will deliver to Seller the Quantity of Product (B) free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.”

(d) Assignment.

Section 10.5 shall be deleted in its entirety and replaced with the following:

“10.5 Assignment. 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; provided, however, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof to its financing providers and the financing provider(s) shall assume the payment and performance obligations provided under this Agreement with respect to the transferring Party; provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurance as the non-transferring Party may reasonably request. Each Party agrees to execute a consent to assignment agreement for the collateral assignment of this Agreement to the other Party's financing provider(s) that contains customary and reasonable terms and conditions.”

(e) Governing Law/Venue/Waiver of Jury Trial. Section 10.6 shall be deleted in its entirety and replaced by the following:

“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.”

Add the following to the end of Section 10.6:

“THE PARTIES HEREBY CONSENT TO CONDUCT ALL DISPUTE RESOLUTION, JUDICIAL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONJUNCTION WITH, OUT OF, RELATED TO OR ARISING FROM THIS AGREEMENT IN THE CITY OF SAN DIEGO, CALIFORNIA.

(f) **Section 10.9 Audit.** Section 10.9 is modified by adding the following subsections at the end thereof:

10.9.1. Accounting principles generally accepted in the United States of America (“GAAP”) and Securities and Exchange Commission (“SEC”) rules require Buyer and its independent auditor to evaluate whether Buyer must consolidate Seller’s financial information (but not financial information of Seller’s constituent members unless deemed to be included in the entity under GAAP). Buyer will require access to certain records, including but not limited to financial records, and personnel of Seller to determine if consolidated financial reporting is required. Notwithstanding anything to the contrary in this Agreement, if Buyer and its independent auditor determine at any time that the Buyer must consolidate the Seller’s financial statements to comply with GAAP and/or SEC rules regarding consolidated financial reporting, Buyer shall require from Seller and Seller agrees to provide to Buyer the following during the Term of this Agreement:

- (i) Unaudited financial statements of the Seller prepared in accordance with GAAP as of the end of the quarterly period. The financial statements should include quarter to date and year to date information and are to be provided within 15 calendar days of the end of the applicable reporting period (or the Business Day thereafter);
- (ii) Unaudited financial schedules of the Seller, as deemed necessary for Buyer to



prepare its consolidated financial statements and related footnotes to the financial statements in accordance with GAAP as of the end of the quarterly period. The financial schedules should include quarter to date and year to date information underlying the financial statements and footnotes to the financial statements and are to be provided within 15 calendar days of the end of the applicable reporting period (or the Business Day thereafter);

- (iii) Unaudited financial statements of the Seller prepared in accordance with GAAP as of the end of each calendar month. The financial statements provided with regard to this Section 10.9.1(iii) should only include the balance sheet and income statement for the current month to date and year to date period and are to be provided within 15 calendar days of the end of the applicable month end (or the Business Day thereafter);
- (iv) Access to Seller's records, accounting and other, and accounting and management personnel as reasonably determined by both Buyer and Seller so that (i) Buyer's independent auditor or its internal auditors may conduct financial audits (in accordance with the standards of the Public Company Accounting Oversight Board (United States)) as well as internal control audits (in accordance with Section 404 of the Sarbanes-Oxley Act of 2002) and (ii) Buyer can be provided analytical information, as needed, to enable Buyer to meet its SEC filing requirements, including but not limited to those under Item 2 on Form 10-Q, and Item 7 on Form 10-K, "Management's Discussion and Analysis of Financial Condition and Results of Operations;" and
- (v) Upon the request of Buyer, such certifications by a duly authorized representative(s) of Seller as may be reasonably requested by Buyer (which certifications shall presumptively be reasonable if the certifications are substantially identical to those required by Buyer or its parent of business units of Buyer or its parent).

10.9.2. Buyer shall provide Notice to Seller, if, in the sole discretion of the Buyer, internal controls over financial reporting (directly or indirectly, alone or in combination with other factors) by Seller would be considered material to the Buyer or its parent company's financial statements, financial condition or internal controls over financial reporting.

10.9.3. If Buyer determines Seller's internal controls over financial reporting are not operating effectively or have resulted in a control deficiency, Buyer will notify Seller of such occurrence. Upon receipt of such notice Seller will have thirty (30) days to remediate any deficiency in Seller's internal controls over financial reporting identified by the Buyer, which Buyer and Buyer's independent auditor deem to be necessary to ensure Seller's internal controls over financial reporting are adequate, during or as a result of the audits permitted under Section 10.9.1(iv) or any other.

10.9.4. As soon as possible, but in no event later than two (2) Business Days following any occurrence that would affect Seller in any material way, Seller shall provide to Buyer a Notice describing such occurrence in sufficient detail to permit the Buyer to file a report on SEC Form 8-K. Such occurrences include all reportable events on the then current Form 8-K that applies to Buyer and its parent company at such time, including but not limited to the following events:

- (i) Acquisition or disposition of a material amount of assets;
- (ii) Creation of a material direct financial obligation or off-balance sheet financing arrangement;
- (iii) Existence of material litigation; and
- (iv) Entry into, or termination of, a material contract upon which Seller's business is substantially dependent.

10.9.5. Any information provided to the Buyer shall be treated as confidential and the Buyer shall limit disclosure of Seller's information under this Section 10.9.5 to the Buyer Representatives, who have a need to know such information and each Buyer Representative shall also agree to abide by the confidentiality terms contained herein, except that such information may be disclosed in connection with the preparation, review, certification and publication of Buyer's consolidated financial statements as deemed necessary by Buyer. The Buyer may also be required to provide the Seller's financial information to the SEC and the Public Company Accounting Oversight Board in connection with any oversight of the Buyer or the Buyer's financial statements.



10.9.6. As reasonably requested by Buyer, Seller agrees to provide Buyer such information or schedules, similar to the items noted in Section 10.9.1 above, to enable Buyer to prepare consolidated financial statements and schedules as may be required from Buyer to obtain financing or to prepare other reports as required by regulatory bodies, such as the SEC, for periods other than as of the end of the monthly, quarterly or year to date periods then ended.

10.9.7. Seller shall notify Buyer at any time during the term of this Agreement of any services provided or proposed to be provided to Seller by Buyer's independent auditor. Seller is prohibited from engaging Buyer's independent auditor for any services or in any consulting agreement without the express written consent of Buyer, for which approval will not be unreasonably withheld; provided that Seller is authorized to continue to use throughout the term of this Agreement its current independent auditor to perform auditing services on its behalf.

(g) **Section 10.11 Confidentiality.** Section 10.11 shall be deleted in its entirety and replaced with the following:

10.11 Neither Party shall disclose the non-public terms or conditions of this Agreement or any Transaction hereunder to a third party, other than (i) the Party's employees, lenders, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential, (ii) for disclosure to the Buyer's Procurement Review Group, as defined in CPUC Decision (D) 02-08-071, subject to a confidentiality agreement, (iii) to the CPUC under seal for purposes of review, (iv) disclosure of terms specified in and pursuant to Section 10.12 of this Agreement; (v) in order to comply with any applicable law, regulation, or any exchange, control area, balancing authority or ISO 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 (vi); or (vi) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, or the Federal Energy Regulatory Commission. In connection with requests made pursuant to clause (v) of this Section 10.11 ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts to prevent or limit such disclosure. After using such reasonable efforts, the Disclosing Party shall not be: (i) prohibited from complying with a Disclosure Order or (ii) 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

(h) **RPS Confidentiality.** Add a new Section 10.12 to Article 10 as follows:

“10.12 RPS Confidentiality. Notwithstanding Section 10.11 of this Agreement, upon Party B’s submission to the CPUC of an advice letter seeking 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, estimated annual deliveries, delivery point, expected on-line date, and project capacity.

(i) **Publicity.** Add a new Section 10.13 to Article 10 as follows:

“10.13 Publicity. Except as otherwise agreed to above or allowed in Sections 10.11 and 10.12, no announcement, publicity, advertising, press release, promotional or marketing materials regarding the arrangements contemplated under this Agreement, including the existence hereof, shall be made by either Party without the prior written approval of the other Party which approval shall not be unreasonably withheld or delayed.”

(j) **Dispute Resolution.** Add a new Section 10.14 to Article 10 as follows:

“10.14 Dispute Resolution.


(a) If a dispute shall arise between the Parties relating to the interpretation of this Agreement or to performance of any Transaction under it, the Party desiring resolution of the dispute shall notify the other Party in writing. The notice shall set forth the matter in dispute in reasonable detail and a proposed solution.


(b) The Parties shall attempt to resolve any dispute within 30 calendar days after delivery of the written notice referred to above. Any disputes not so resolved shall be referred by each Party to a senior officer (or the officer's designee) for resolution. If the Parties fail to reach an agreement within 30 days after such referral, each Party shall have the right to pursue any and all remedies provided in this Agreement and as afforded by law.



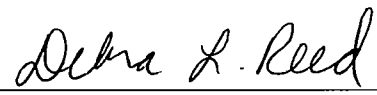
IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed.

NATURENER RIM ROCK WIND ENERGY LLC

By: 
Name: Jose Maria Sanchez Seara
Title: Chief Executive Officer

By: 
Name: Alfredo E. Cahuas
Title: Chief Financial Officer

SAN DIEGO GAS & ELECTRIC COMPANY

By: 
Name: Debra L. Reed
Title: President and Chief Executive Officer

APPROVED as to legal form A-S.