APPENDIX I - GENERAL DEFINITIONS

"AAA" has the meaning set forth in Section 12.3.

"Actual Tested Heat Rate" shall have the meaning set forth in Section 4.2(b)(ii).

"Additional Gas" has the meaning set forth in Section 3.3(e).

"Additional Gas Payment" has the meaning set forth in Section 3.3(e).

"Additional Test Costs" has the meaning set forth in Section 3.13(d)(v).

"Adjusted Guaranteed Heat Rate" has the meaning set forth in Section 4.2(d).

"Adjusted Guaranteed Unfired Heat Rate" or HRc has the meaning set forth in Section 4.2(b)(v).

"Adverse Credit Event" means with respect to Seller, Buyer or Seller's Guarantor, as applicable, that one or more of its Credit Ratings have been downgraded to a level below BBB- or Baa3; or with respect to Seller's Guarantor, a failure to meet each of the conditions set forth in Section 8.2(a)(ii); or with respect to Seller, Buyer or Seller's Guarantor, as applicable, such entity is no longer rated.

"Affiliate" of a Person means any other Person that (a) directly or indirectly controls the specified Person; (b) is controlled by or is under direct or indirect common control with the specified Person; or (c) is an officer, director, employee, representative or agent or subsidiary of the Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management or policies of the specified Person, directly or indirectly, through one or more intermediaries, whether through the ownership of voting securities, partnership or limited liability company interests, by contract or otherwise.

"Agreement" has the meaning ascribed in Section 1.1.

"Ancillary Services" means regulation (including load following) spinning reserves, non-spinning reserves, and replacement reserves associated with the Units (in each case as defined by the CAISO Tariff), and all other products deemed to be ancillary services by the CAISO and/or FERC as of the Effective Date or a future date during the Contract Term.

"Application Security" has the meaning set forth in the Recitals.

"Approval Application" has the meaning set forth in Section 11.1(a)(1).

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

"Authorized Representative" has the meaning set forth in Section 1.4.

"Availability" has the meaning set forth in Section 4.1(b).

"Availability Adjustment" or "AA" has the meaning set forth in Section 4.1(c).

"Average Monthly Conditions" means, in relation to any month, the ambient conditions (temperature and humidity for the Site) based on the average of the monthly average temperatures

and corresponding humidity conditions of the 10 years 1998 through 2007 for such month as provided by the National Climatic Data Center ("NCDC") at http://www4.ncdc.noaa.gov/cgi-win/wwcgi.dll?WWDI~getstate~USA, which is as follows:

Historical Monthly Climate Data for_____

Month	***Dry Bulb Temperature (deg. F)***	***Wet Bulb Temperature (deg. F)***	***Relative Humidity (%)***
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

["Balancing Payments" has the meaning set forth in Section 3.3(f).] ***[Applicable only to tolling agreements.]***

["Base Load" means, when used in relation to a Unit, that the combustion turbine is operating on its base load temperature control curve with inlet cooling in service, as applicable to the ambient temperature conditions, and with zero power augmentation and zero duct firing.] ***[Applicable only to combined cycle facilities.]***

"Business Day" means any day except Saturday, Sunday, or a Federal Reserve member bank holiday.

"Buyer" means PG&E in its capacity as a purchaser of Products and Tolling Services and other merchant functions, as distinct from the function of PG&E as a transmission owner. For avoidance of doubt, PG&E is subject to regulations requiring the separation of its transmission and merchant functions pursuant to FERC's Standards of Conduct requirements as set forth at 18 C.F.R. Part 358. Accordingly, as set forth in Section 3.1(f), the Parties acknowledge that the Parties have no rights against each other or obligations to each other under this Agreement with respect to any relationship between the Parties in which PG&E is acting in its capacity as an owner or provider of electrical interconnection or transmission service or as a Gas local distribution company.

"Buyer Group" has the meaning set forth in Section 10.2(a).

"Buyer's Capacity Test" has the meaning set forth in Section 3.13(d)(v).

"Buyer's Collateral Threshold Amount" has the meaning set forth in Section 8.2 (b).

["Buyer's Gas" has the meaning set forth in Section 3.3(b).] ***[Applicable only to tolling agreements.]***

"Buyer's Schedule" has the meaning ascribed in Section 3.5(b).

"Buyer's Scheduling Error" means the difference between the amount, quantity or location of a Product delivered to the CAISO Grid and the amount, quantity or location of a Product scheduled to be delivered to the CAISO Grid that results due to (i) Buyer providing different schedules to the Seller and the CAISO or (ii) due to failure of Buyer to change a schedule when Unit operations have changed from those previously scheduled after Buyer has received Notice of the change in Unit operations from Seller and Buyer has had a commercially reasonable period of time to make the schedule change but has failed to do so (subject to the third from last sentence of Section 3.5(c)).

"CAISO" means the California Independent System Operator Corporation.

"CAISO Grid" means the system of transmission lines and associated facilities of the Participating Transmission Owners that have been placed under the CAISO's operational control.

"CAISO Interconnection Point" means, for Unit(s) interconnected directly to the CAISO Grid or to a Participating Transmission Owner, the Electrical Delivery Point, and for Unit(s) interconnected with a Transmission Provider other than the CAISO or a Participating Transmission Owner, the point at which the Products from the Unit(s) are delivered to the CAISO Grid,

"CAISO Maintenance Outage" means a "Maintenance Outage" or an "Approved Maintenance Outage," as those terms are defined in the CAISO Tariff. A CAISO Maintenance Outage that also meets the requirements of a Scheduled Maintenance Outage shall be deemed to be Scheduled Maintenance Outage, but shall otherwise be a Forced Outage.

"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.

"Capacity" means the maximum capability of a Unit to generate electric energy measured in megawatts, after deduction for auxiliary loads and station electrical uses, including any variation in the form of capacity including installed capacity, locational capacity or similar products.

"Capacity Degradation Factor" or "CDF" has the meaning set forth in Section 4.2(b)(v).

"Capacity Payment Rate" or "CPR" has the meaning set forth in Section 4.3(a).

"Capacity Test" means an Initial Capacity Test, a Seasonal Capacity Test, a Seller's Capacity Test or a Buyer's Capacity Test.

"CEC" means the California Energy Commission.

"Cold Start-Up" means a Start-Up that occurs more than ___ hours after a Shut-Down.

"Cold Scheduled Start-Up" means a Cold Start-Up required for Scheduled Operations following a Scheduled Shut-Down.

"Collateral" shall mean cash via wire transfer in immediately available funds or Letter of Credit.

"Collateral Requirement" has the meaning set forth in Section 8.2.

"Collateral Threshold Amount" means Seller's Collateral Threshold Amount or Buyer's Collateral Threshold Amount.

"Commercially Operable" with respect to any Unit, is a condition occurring after such time as Mechanical Completion has occurred, commissioning is complete, the Unit has been shown by an Initial Capacity Test, adjusted to ISO Conditions or Peak July Conditions as applicable, to be capable of delivering at least 98% of the Design Capacity as set forth in Appendix II or July Design Capacity, respectively, to the grid on a sustained basis, and the Unit has been released by the contractor to Seller for commercial operations.

"Commercial Operation Date" the date on which each and every Unit at the Facility has become Commercially Operable.

"Contract Approval Security" shall mean Collateral in the amount of $85,000 per MW multipled by the Maximum Contract Capacity (in MW).

"Contract Capacity" is the amount of Capacity offered by the Seller as set forth in Appendix II, which shall be equal to the Design Capacity of the Units, reasonably adjusted (if necessary due to the technology of the Units) for Average Monthly Conditions.

"Contract Term" has the meaning set forth in Section 2.1.

"Contract Year" means a period of twelve (12) consecutive months; the first Contract Year shall commence on the Initial Delivery Date; and each subsequent Contract Year shall commence on the anniversary of the Initial Delivery Date. In the event of an Early Termination Date, the final Contract Year may be a period of less than twelve (12) consecutive months, and shall be the period commencing on the anniversary of the Initial Delivery Date last preceding the Early Termination Date through and including the Early Termination Date.

"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 this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement.

"CPUC" or "Commission" means the California Public Utilities Commission.

"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.

"Credit Rating" means with respect to any entity, on any Date of Determination, the respective ratings then assigned to such entity's unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancement) by S& P and/or Moody's or if such entity does not have a unsecured, senior long-term debt rating, then the rating assigned to such entity as its "issuer rating" by S&P and/or Moody's.

"Critical Milestones" has the meaning set forth in Section 11.2(b).

"Cure" has the meaning set forth in Section 8.3(a).

"Current MIV" is an amount as defined in Section 8.2 and calculated in accordance with Appendix VI.

"Date of Determination" shall be any Business Day on or after the Initial Delivery Date on which the Collateral Threshold Amount is determined for Seller and Buyer.

"Defaulting Party" has the meaning set forth in Section 5.1(a) and (b).

"Delay Damages" has the meaning set forth in Section 11.4

"Delivery Date Security" means the aggregate of the Application Security and the Contract Approval Security.

"Deposit Account Agreement" or "DAA" means an agreement in the form set forth in Appendix VIII establishing an appropriate account for holding cash collateral.

"Design Capacity" means, for the Units, the maximum rate of electrical energy production, net of auxiliary loads and station electrical uses, that the Units can be expected to reliably and safely generate on a sustained basis as of the Execution Date, as measured at the Electrical Delivery Point, at ISO Conditions, which is set forth in Appendix II.

"Deviation Charges" has the meaning set forth in Section 3.5(c).

"Direct Claim" means any claim by an Indemnitee on account of an Indemnifiable Loss which does not result from a Third Party Claim.

"Disclosing Party" has the meaning set forth in Section 10.7.

"Disclosure Order" has the meaning set forth in Section 10.7.

["Duct Fired Guaranteed Heat Rate" or "DFHRC" has the meaning set forth in Section 4.2(c)(iii), as further described in Section 4.2(a)(iii).] ***[Applicable only to combined cycle facilities.]***

["Dual Unit Operation" means operation of both of the combustion turbines and the steam turbine.] ***[Applicable only to combined cycle facilities.]***

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

"Effective Date" is a date on which the conditions precedent to the full effectiveness of this Agreement occur as set forth in Article 11.1.

"Electrical Delivery Point" has the meaning set forth in Section 3.4(a).

"Electrical Interconnection Facilities" means the apparatus required to safely and reliably interconnect with and deliver the Products at the Maximum Contract Capacity to the Electrical Delivery Point by means of either the PG&E electric system or the CAISO Grid, including connection, transformation, switching, metering, communications, control, and safety equipment, such as equipment required to protect (a) the electric systems of the Transmission Provider and PG&E (or other transmission systems directly or indirectly interconnected to PG&E and/or the Transmission Provider)) and PG&E's customers from faults occurring at the Units, and (b) the Units from faults occurring on the electric systems of PG&E or the Transmission Provider, or on other directly or indirectly interconnected transmission systems.

"Electric Revenue Meter" means the measurement device(s) used by the interconnecting Transmission Provider to measure deliveries of any and all Products for purposes of billing.

["Eligible Renewable Energy Resource" as such term is defined in Public Utilities Code Section 399.12 and Public Resources Code Section 25741.] ***[Applicable only to renewable facilities.]***

"Emergency" means an actual or imminent condition or situation, which jeopardizes PG&E electric system integrity or the integrity of other systems to which PG&E is connected, as determined by PG&E in its sole discretion, or any condition so defined and declared by the Transmission Provider.

"Energy" means electric energy, measured in MWhs and net of auxiliary loads and station electrical uses (unless otherwise specified).

"EPC Contract" means the Seller's engineering, procurement and construction contract with the EPC Contractor.

"EPC Contractor" means Seller's engineering, procurement and construction contractor or such Person performing those functions.

"Equitable Defenses" means any bankruptcy, insolvency, reorganization and other Laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending.

"Event of Default" means a Seller's Event of Default and/or a Party's Event of Default.

"Exceptional Case Agreement" means an agreement between PG&E, as the Seller's LDC, and Seller (or its representative) for Gas LDC service that contains negotiated terms and conditions approved by the CPUC, such as may be done when the costs of a gas service connection,

including reinforcement, for a specific customer's project exceeds the revenue expected to be collected from the customer under the LDC's standard tariff.

"Excused Events" means (i) **[Buyer's failure to cause Gas to be available to Seller at the Gas Delivery Point, (ii)]** the Buyer's failure to take Energy from and after the Electrical Delivery Point, and (iii) an event of Force Majeure that is claimed by Buyer. ***[Bracketed language applicable only to tolling agreements.]***

"Excused Hours" means the number of hours equal to (i) the maximum number of Scheduled Maintenance Outage hours permitted pursuant to Section 3.10(e)(ii) beginning with the Initial Delivery Date and continuing through the date on which the determination is made less the number of hours used for Scheduled Maintenance Outages or Force Majeure during such period; plus (ii), at Seller's option and upon Notice by Seller to Buyer, an additional number of "borrowed" hours to be designated by Seller that does not exceed a cumulative amount of 1000 hours per Force Majeure Event, nor, cumulatively, the number of hours for Scheduled Maintenance Outages available under Section 3.10(e)(ii) remaining, as of the date of the Notice, in the lesser of the five years following the date of the Notice or the remaining years of the Contract Term, provided that the number of hours permitted pursuant to Section 3.10(e)(ii) for Scheduled Maintenance Outages in each of the five calendar years following the date on which such Notice is received by Buyer shall be reduced by one-fifth of the total amount of "borrowed" hours as set forth in such Notice or, if less than five years are remaining in the Contract Term as of the date of such Notice, then by one divided by the remaining years in the Contract Term as of the date of the Notice. "Execution Date" has the meaning ascribed in the first paragraph of the Agreement.

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

"Expected Initial Delivery Date" means _____ **[state a date certain]**.

"Facility" means the generation facility described in Appendix II, consisting of one or more Units committed to Buyer and the Electrical Interconnection Facilities **[and Fuel Handling Facilities]** including other units, that generate, consume or store energy in any form, and any and all other units (whether complete or under construction) that are owned, operated or controlled by Seller or any Affiliate of Seller and located on the same Site or adjacent sites and/or use the same Electrical Interconnection Facilities **[and/or Fuel Handling Facilities]**; provided that for purposes of Section 3.1(e), a "Facility" shall further include any electrical generating facilities that are deemed by any Governmental Authority to be part of the same facility or at the same location as the Units. ***[For renewable facilities, omit bracketed language.]***

"Failed Start" has the meaning set forth in Section 4.5.

"Failed Start Rate" means $1000 per MW in the first Contract Year, and thereafter shall be $1000 per MW adjusted by the GDP at the start of each successive Contract Year.

"FERC" means the Federal Energy Regulatory Commission.

"FHC" has the meaning set forth in Section 4.3(a).

"Fired Hour" as applied to a Unit, is an hour in which the Unit was scheduled by Buyer to run from the time Start-Up is completed until Shut-Down is initiated.

"Force Majeure" shall mean any event or circumstance to the extent beyond the control of, and not the result of the negligence of, or caused by, the Party seeking to have its performance obligation excused thereby, which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it has been unable to overcome, including but not limited to: (1) acts of God, including but not limited to landslide, lightning, earthquake, storm, hurricane, flood, drought, tornado, or other natural disasters and weather related events affecting an entire region which caused failure of performance; (2) fire or explosions; (3) transportation accidents affecting delivery of equipment only if such accident occurs prior to the Commercial Operation Date; (4) sabotage, riot, acts of terrorism, war and acts of public enemy; or (5) restraint by court order or other governmental authority. Force Majeure shall not include (i) a failure of performance of any Third Party, including any party providing electric transmission service or natural gas transportation, 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, (ii) failure to timely apply for or obtain Permits, (iii) 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 (iv) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's affiliates, the EPC contractor or subcontractors thereof or any other third party employed by Seller to work on the project. A Party shall not be considered to be in default in the performance of its obligations under this Agreement to the extent that the failure or delay of its performance is due to an event of Force Majeure; and the non-affected Party shall be excused from its corresponding performance obligations to the extent due to the affected Party's failure or delay of performance. Notwithstanding the forgoing, (i) a failure to make payments accrued prior to the event of Force Majeure when due shall not be excused; and (ii) the unavailability of the capacity of the Units due to Force Majeure shall be deemed to be unavailability for purposes of determining Availability and the Non-Availability Discount.

"Forced Outage" means any unplanned reduction or suspension of the electrical output from a Unit or unavailability of a Product in whole or in part from a Unit 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 Scheduled Maintenance Outage and not the result of Force Majeure; provided that a CAISO Maintenance Outage that is not also a Scheduled Maintenance Outage shall be a Forced Outage.

"Fuel" means **[Seller to specify fuel]**.

["Fuel Handling Facilities" means all equipment and facilities necessary in connection with the delivery, receipt, handling, processing and disposal of Fuel or Fuel by products, including the Gas Interconnection Facilities.] ***[For renewable facilities, omit if not applicable. For fossil-fired facilities other than Gas-fired facilities, omit last clause.]***

"Fuel Manager Fee" has the meaning set forth in Section 3.3(e).

"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 this Agreement, determined in a commercially reasonable manner; provided that, in Appendix VI, "Gains" has the meaning set forth therein.

"Gas" means natural gas, which will be any mixture of hydrocarbons or of hydrocarbons and non-combustible gases in a gaseous state consisting primarily of methane.

"Gas Delivery Point" is the outlet flange of the Gas Meter Set.

["Gas Distribution Reimbursements" has the meaning set forth in Section 3.3(d).

"Gas Index Price, High" means the daily index cost of Gas as published by Platt's Gas Daily (in the Internet publication currently accessed through www.platts.com), or its successor, in the table entitled "Daily price survey" under the heading "Common High" for the applicable date of delivery for PG&E Citygate or in the event of a Index Disruption Event, the applicable Gas trading point, to be designated.

"Gas Index Price, Low" means the daily index cost of Gas as published by Platt's Gas Daily (in the Internet publication currently accessed through www.platts.com), or its successor, in the table entitled "Daily price survey" under the heading "Common Low" for the applicable date of delivery for PG&E Citygate or in the event of a Index Disruption Event, the applicable Gas trading point, to be designated.

"Gas Index Price, Midpoint" means the daily index cost of Gas as published by Platt's Gas Daily (in the Internet publication currently accessed through www.platts.com), or its successor, in the table entitled "Daily price survey" under the heading "Midpoint" for the applicable date of delivery for PG&E Citygate or in the event of a Index Disruption Event, the applicable Gas trading point, to be designated.] ***[Bracketed language is applicable only to tolling agreements.]***

["Gas Interconnection Facilities" means the apparatus between the Units and the downstream flange of the Gas Meter Set (owned by Seller) and from the outlet flange of the Gas Meter Set to the existing transmission or distribution system (owned by the interconnecting pipeline or LDC but constructed or improved for the purpose of serving the Unit) required to safely and reliably deliver Gas in volumes and at pressures sufficient to permit the Units to operate at the Maximum Contract Capacity.

"Gas Meter" means the measurement device used by the interconnecting pipeline or LDC to measure Gas deliveries for purposes of billing.

"Gas Meter Set" means the Gas meter, service regulator, overpressure protection devices and all associated piping and fittings of the Gas transporter.] ***[Bracketed language is applicable only to Gas-fired agreements.***

"GDP" means the amount equal to the quotient of the Gross Domestic Product Implicit Price Deflator, or GDP Deflator, as published by the United States Department of Commerce, Bureau of Economic Analysis ("Deflator") that is two quarters prior to the most recent anniversary of the Initial Delivery Date, and the Deflator for the quarter that is two quarters prior to the Initial Delivery Date. If the base year of the Deflator is reset, the Parties shall adjust the formula appropriately. Should such index be discontinued, an index specified by the appropriate government agency, if any, shall be used. If no replacement index is specified, a new index that most accurately reflects charges for the applicable cost component shall be substituted by agreement of the Parties' authorized representatives. If no agreement regarding a replacement index is reached in a timely manner, the dispute shall be resolved in accordance with Article 12 of this Agreement.

"Generation Meter Multiplier" or "GMM" has the meaning set forth in the CAISO Tariff.

"Governmental Approval" means all authorizations, consents, approvals, waivers, exceptions, variances, filings, Permits, orders, licenses, exemptions, notices to and declarations of or with any Governmental Authority 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 Units or related Project.

"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.

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

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

"Green Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its displacement of conventional Energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions 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; and (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 landfill gas 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.

"Greenhouse Gas" or "GHG" means emissions into the atmosphere of carbon dioxide (CO2), nitrous oxide (N2O) and methane (CH4), which are produced as the result of combustion or transport of fossil fuels. Other greenhouse gases may include hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF6), which are generated in a variety of industrial processes. Greenhouse gases may be defined, or expressed, in terms of a ton of CO2-

equivalent, in order to allow comparison between the different effects of gases on the environment.

"Greenhouse Gas Taxes" of "GHG" Taxes are those amounts to be reimbursed by Buyer to Seller pursuant to Section 9.3.

["Guaranteed Heat Rate" has the meaning set forth in Section 4.2(d)

"Guaranteed Heat Rate Curve" means the heat rate curve identified as such and provided in Appendix II.

"Guaranteed Heat Rate Curves" has the meaning set forth in Section 4.2(a)(i).

"Guaranteed Heat Rate Points" means the heat rate points identified as such and provided in Appendix II.] ***[Bracketed language not applicable to renewable facilities.]***

"Hazardous Substance" means, collectively, (a) any chemical, material or substance that is listed or regulated under applicable Laws as a "hazardous" or "toxic" substance or waste, or as a "contaminant" or "pollutant" or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls ("PCBs"), and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

["Heat Rate" means the efficiency of a Unit's ability to convert fuel into power.

"Heat Rate Degradation Factor" or "HDF" has the meaning set forth in Section 4.2(b)(iv).

"Higher Heating Value" or "HHV" means the total heat content, expressed in Btus per cubic foot (Btu/ft^3), produced by the complete combustion of 1 cubic foot of natural gas at a temperature of 60º Fahrenheit with the natural gas free of water vapor and at a pressure of 14.73 pounds per square inch absolute with the products of combustion to be cooled to the initial temperature of the natural gas and the water formed by the combustion reaction condensed to the liquid state.] ***[For renewable facilities, omit the bracketed language.]***

"Hot Start-Up" means a Start-Up that occurs ___ hours or less after a Shut-Down.

"Hot Scheduled Start-Up" means a Hot Start-Up required for Scheduled Operations following a Scheduled Shut-Down.

["Imbalance Amount" has the meaning set forth in Section 3.3(f).] ***[Applicable only to tolling agreement.]***

"Indemnifiable Loss" means any and all damages, claims, losses, liabilities, obligations, costs and expenses, including reasonable legal, accounting and other expenses, and the costs and expenses of any and all actions, suits, proceedings, demands (by any Person, including any Governmental Authority), assessments, judgments, settlements and compromises.

"Indemnitee" has the meaning set forth in Section 10.2(c).

"Indemnitor" has the meaning set forth in Section 10.2(c).

["Index Disruption Event" means an event which results in the unavailability of a Platts' Gas Daily PG&E Citygate Midpoint, Common High or Common Low price for the applicable day (exclusive of days which are not customarily reported) including unavailability resulting from the following: (i) failure of Platts' Gas Daily to announce or publish the PG&E Citygate midpoint price for the applicable day, (ii) the temporary or permanent discontinuance or unavailability of the Platts' Gas Daily PG&E Citygate price index, (iii) the temporary or permanent suspension or discontinuance of Gas trading or reporting of Gas prices at the location identified as of the Execution Date as the PG&E Citygate, (iv) a material change in the content, composition or constitution of the Gas traded at the location identified as of the Execution Date as the PG&E Citygate, (v) a substantial reduction in the volume of reported trades at the PG&E Citygate, whether temporary or permanent, such that the reported price cannot reasonably be deemed a reliable indicator of the market price of Gas at that location for the applicable day. In the event of an Index Disruption Event the applicable Gas Index Price will be determined in accordance with the first of the following clauses as applies: (i) for a period of no more than two consecutive weeks, the Gas Index Price shall be the average of the comparable prices reported by Platt's Gas Daily for Gas delivered at Topock and at Malin, plus the average of the cost of transportation at as available rates from Topock to PG&E Citygate and Malin to PG&E Citygate (if available), (ii) in the event of a long-term or permanent disruption to the Platt's Gas Daily Index, such other index for daily Gas prices as the Parties agree has been commonly accepted in the industry as a leading price index for Gas trading in or around California, (iii) a methodology agreed to by the Parties' Authorized Representatives, (iv) by reference to an index price or methodology based on a reported index price that is determined by arbitration conducted in accordance with Article XIII to most closely approximate the pricing that would be expected if the Index Disruption Event had not occurred.] ***[Applicable only to tolling agreements.]***

["Initial Base Capacity" or "Ci" has the meaning set forth in Section 4.2(b)(i).

"Initial Base Capacity Test" has the meaning set forth in Section 4.2(b)(i).] ***[Bracketed language not applicable to renewable facilities. May require modification for fossil-fuel facilities other than combined cycle.]***

"Initial Capacity Test" is a test of the Units' capability to deliver Energy conducted prior to the Initial Delivery Date in accordance with the Test Procedures.

"Initial Delivery Date" is the date on which the Buyer's right to receive the Tolling Services and Products and the Seller's obligation to deliver the Tolling Services and Products upon dispatch by Buyer commence and Compensation payable by Buyer to Seller begins to accrue, which shall occur as specified in Section 11.3(a).

["Initial Guaranteed Unfired Heat Rates" or "HRi" are the heat rates determined in accordance with Section 4.2(b)(iii).] ***[Bracketed language not applicable to renewable facilities.]***

"Initial MIV" is an amount as defined in Section 8.2 and calculated in accordance with Appendix VI.

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

"Initial Offer Deposit" has the meaning set forth in the Recitals.

"Instructed Operations" means (i) an Operational Order, (ii) a mandatory direction of the Transmission Provider or (iii) as required pursuant to the Seller's CAISO Participating Generator Agreement (explicitly incorporating Section 5 of the CAISO Tariff as in effect as of the Execution Date or any revision thereof) to meet Emergencies and reliability needs including voltage support.

"Interest Calculation" has the meaning set forth in Section 8.4.

"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.

"ISO Conditions" means 59 degrees Fahrenheit and 60% relative humidity and the associated Site standard barometric pressure at the Site elevation of ___feet above mean sea level.

"July Design Capacity" means Design Capacity as adjusted to Peak July Conditions.

"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 become effective during the Contract Term; or any binding interpretation of the foregoing.

"Letters of Credit" shall mean one or more irrevocable, standby letters of credit in the form of Appendix V issued by (i) a U.S. commercial bank having total assets of at least $10 billion and a senior unsecured long term debt rating of no lower than A2 from Moody's or A from S&P. (ii) a foreign financial institution having total assets of at least $10 billion and a senior unsecured long term debt rating of no lower than A2 from Moody's or A from S&P, provided such foreign financial institution has a U.S. branch, or other U.S. presence acceptable to the Buyer, in its reasonable discretion (iii) a U.S. affiliate of a foreign financial institution, provided such foreign financial institution acts as the "confirming bank" and has total assets of at least $10 billion and a senior unsecured long term debt rating of no lower than A2 from Moody's or A from S&P.

"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 termination of this Agreement, determined in a commercially reasonable manner; provided that, in Appendix VI, "Losses" has the meaning set forth therein.

"LDC" means local distribution company, a distributor of Gas for consumption.

Major Maintenance is defined as any hours or starts based scheduled maintenance on the major equipment and systems.

> ***[For combined cycles, include the following: Major equipment and systems include but are not limited to: gas turbine and generator, steam turbine and generator, heat recovery steam generator, and high voltage electrical systems and transformers. Major Maintenance includes but is not limited to combustion inspections, hot gas path inspections, major overhaul/inspections, steam path audits, retaining ring inspect/replacement, high voltage equipment inspections and predictive/preventative maintenance testing.]***

[For combustion turbine facilities, include the following: Major equipment and systems include but are not limited to: gas turbine/generator, heat recovery steam generator, and high voltage electrical systems and transformers. Major Maintenance includes but is not limited to combustion inspections, hot gas path inspections, major overhaul and inspections, retaining ring inspection and replacement, high voltage equipment inspections and predictive and preventative maintenance testing.]

[For reciprocating engines, include the following: Major Maintenance includes but is not limited to piston and liner replacement, crankshaft inspection, bearings, and seals, high voltage equipment inspections and predictive and preventative maintenance testing.]

"Material Governmental Approvals" means all of the Governmental Approvals described on Appendix XI.

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

"Mark-to-Market Value" is an amount as defined in Section 8.2 and calculated in accordance with Appendix VI.

"Maximum Contract Capacity" shall mean the greatest Contract Capacity committed to Buyer by Seller from the Units for any month during the Service Term.

"Mechanical Completion" means, as to a Unit, when, except for minor items of work that would not affect the safety and/or performance or operation of the Facility such as painting, landscaping and so forth, (a) all materials and equipment required to be installed by the EPC Contractor for the Unit have been installed, calibrated, loop checked and checked for alignment, lubrication, rotation and hydrostatic and pneumatic pressure integrity; (b) all systems required to be installed by the EPC Contractor have been installed and tested at significant loads; (c) such systems have been flushed and cleaned out as necessary; (d) all such equipment and systems have been fully operated in a safe and prudent manner at nominal ratings and have been installed in a manner that does not (i) void any subcontractor or vendor equipment, system or other warranties or (ii) violate any Governmental Approvals; and (e) all systems required to be installed by the EPC Contractor and necessary for power generation are ready to commence testing and operations, the distributed control system for the Facility is operational and the continuous emissions monitoring system has been installed.

"Milestone" has the meaning set forth in Appendix VII, Section 1.0.

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

"Monthly Contract Capacity" or "MCC" means the maximum amount of Capacity from the Units that Seller has committed to sell to Buyer during such month. Prior to the Initial Delivery Date, the Monthly Contract Capacity for the Units shall be equal to the Contract Capacity that is applicable in such month as set forth in Appendix II. On and after the Initial Delivery Date, the Monthly Contract Capacity for the Units shall be established pursuant to Section 3.13(d).

"Monthly Fixed Payment" or "MFP" has the meaning set forth in Section 4.3(b).

"Monthly Payment Date" has the meaning set forth in Section 6.2.

"Monthly Variable Payment" or "MVP" has the meaning set forth in Section 4.3(b).

"Moody's" means Moody's Investors Services, Inc.

"MRTU" means Market Redesign and Technology Upgrade, as such term is used by the CAISO to describe new market structures and rules expected to become effective in 2008, or a successor program.

"MW" means megawatts.

"NERC" means the North American Electric Reliability Corporation.

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

"Non-Summer Months" means the calendar months of January, February, March, April, May, October, November and December.

"Notice" means a written communication which is delivered in the manner required by Section 13.1, as applicable to that communication.

"Notice of Claim" has the meaning set forth in Section 10.2(c).

"Notify" means to provide a Notice.

"Offer Deposit" is an amount posted by Seller in accordance with Section 11.1.

"Operating Procedures" has the meaning set forth in Section 3.14.

"Operational Limitations" of a Unit are the parameters set forth in Appendix II, describing the physical capabilities of the Unit, including the time required for Start-Up, ramp rate, the limitation on the number of Scheduled Start-Ups per Contract Year and the minimum operating limits for the Units.

"Operational Order" means a mandate issued by a Governmental Authority which the Seller has no discretion to ignore or avoid to offer or provide a Product or to Start-Up, Shut-Down, curtail or operate a Unit. An Operational Order would include, for example, a mandate issued by the U.S. Secretary of Energy to offer Capacity or Energy or to operate a Unit during an Emergency. In contrast, by way of further example, a legal obligation to test a Unit for the purpose of maintaining its Governmental Approvals is not considered an Operational Order.

"Other Products" shall mean, for each Unit, (1) all Ancillary Services that a Unit is capable of producing; (2) black start capability; (3) all Green Attributes, Renewable Energy Credits and Green Tags; (4) rights associated with Resource Adequacy Requirements (5) all thermal and/or mechanical energy produced by the Units ***[For qualifying cogeneration facilities only, add:*** **exclusive of ____ MMBTU of thermal energy and/or ___ joules of mechanical energy]**; and (6) all products or services similar to the foregoing which can be produced by or are associated with the Capacity of the Unit.

"Outage" means the partial or full unavailability or inability of the Units to operate at 100% of its Monthly Contract Capacity due to a Forced Outage, Scheduled Maintenance Outage or Force

Majeure of any Unit, including any derating or inability to produce a Product (other than as disclosed in Appendix II as an Operational Limitation).

"Party's Event of Default" has the meaning set forth in Section 5.1(b).

"Participating Transmission Owner" or "Participating TO" means an entity that (i) owns, operates and maintains transmission lines and associated facilities and/or has entitlements to use certain transmission lines and associated facilities and (ii) has transferred to the CAISO operational control of such facilities and/or entitlements to be made part of the CAISO Grid.

"Peak July Conditions" means the ambient conditions (temperature and humidity for the Site) based on the average of the monthly maximum peak temperatures and corresponding humidity conditions of the years 1998 through 2007 (inclusive) for the month of July as provided by the National Climatic Data Center ("NCDC") at http://www4.ncdc.noaa.gov/cgi-win/wwcgi.dll?WWDI~getstate~USA: dry bulb temperature of ___ deg. F; wet bulb temperature of ___ deg. F; relative humidity of ___.

"Peak Load" has the meaning set forth in Section 3.13(b)(ii).

"Permit" means any waiver, exemption, variance, franchise, permit, authorization, consent, ruling, certification, license or similar order of or from, or filing or registration with, or notice to, any Governmental Authority that authorizes, approves, limits or imposes conditions upon a specified activity.

"Person" means an individual, partnership, joint venture, corporation, limited liability company, trust, association or unincorporated organization, or any Governmental Authority.

"PG&E" means Pacific Gas and Electric Company.

"PG&E's Outage Reporting Protocols" means the instructions and procedures to be established by PG&E from time to time for reporting Outages of the Unit(s). PG&E's Outage Reporting Protocols as in effect as of the Execution Date are attached hereto as Appendix III and may be revised unilaterally by PG&E from time to time with reasonable advance notice to Seller.

"PG&E Transmission" means PG&E in its capacity as a provider of electric transmission, Gas transportation or LDC services, including matters related to interconnection for such services.

"Posting Deadline" has the meaning set forth in Section 8.1(a)(ii).

"Posting Party" means a Party that is obligated to post, or posts, Collateral under this Agreement.

"Pre-COD Settlement Amount" has the meaning set forth in Section 5.2.

"Product" shall mean each of Energy, Capacity and, to the extent applicable, each Other Product, as defined herein.

"Project" means the Facility and all rights, obligations and assets associated with ownership and operation of the Facility.

"Prudent Electrical Practices" means those practices, methods, applicable codes and acts engaged in or approved by a significant portion of the electric power industry during the relevant time

period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time a decision is made, that could have been expected to accomplish a desired result at reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Electrical Practices are not intended to be limited to the optimum practices, methods, or acts to the exclusion of others, but rather to those practices, methods and acts generally accepted or approved by a significant portion of the electric power industry in the relevant region, during the relevant time period, as described in the immediately preceding sentence.

"Qualified Institution" means a commercial bank or trust company organized under the Laws of the United States or a political subdivision thereof, with (i) a Credit Rating of at least (a) "A" by S&P and "A2" by Moody's, if such entity is rated by both S&P and Moody's or (b) "A" by S&P or "A2" by Moody's, if such entity is rated by either S&P or Moody's but not both, and (ii) having total assets of at least $10,000,000,000 and a capital and surplus of at least $1,000,000,000.

"RA Capacity" means Capacity that is available to Buyer to satisfy its Resource Adequacy Requirement.

"Recording" has the meaning set forth in Section 1.3.

"Reductions" has the meaning set forth in Section 3.4(e).

"Regulatory Disclosures" has the meaning set forth in Section 10.7.

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

"Reliability Organization" means an "Electricity Reliability Organization" as defined in Section 215(a)(2) of the FPA or a "regional entity" as defined in Section 215(a)(7) of the FPA.

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

"Resource Adequacy Requirement" or "RAR" means a standard established and administered by the CPUC and/or the CAISO or a successor control area operator, whereby unit-specific Capacity is identified and the physical unit is made available to the CAISO for dispatch; the eligibility to count Capacity toward the Resource Adequacy Requirement may be determined by identifying the full Resource Adequacy capability of specific Units or an amount of Resource Adequacy capability from partial or a combination of Units.

"RMR" means Reliability Must Run.

"Scheduled Availability Notices" has the meaning set forth in Section 3.5(b)(i).

"Scheduled Energy" means Energy generated in response to Scheduled Operations and delivered to Buyer at the Electrical Delivery Point for its account.

"Scheduled Maintenance" means removing the equipment, or any portion thereof, from service availability, in whole or in part, for inspection and/or general overhaul of one or more major equipment groups of the type that is (i) necessary to reliably maintain the Units, (ii) cannot be reasonably conducted during the Units' operations, (iii) causes the available Capacity for the

Units to be reduced to less than 100% of the Monthly Contract Capacity (as applicable for such month) and (iv) has been scheduled and Noticed in accordance with the requirements of Section 3.10(b) through 3.10(f).

"Scheduled Maintenance Outage" is the period in which Scheduled Maintenance is performed provided that only a period which has been Noticed and is otherwise in accordance with Section 3.10(b) through 3.10(f) shall be considered a Scheduled Maintenance Outage. A Scheduled Maintenance Outage may be a CAISO Maintenance Outage, but not all CAISO Maintenance Outages shall be deemed to be Scheduled Maintenance Outages. A CAISO Maintenance Outage that is not also a Scheduled Maintenance Outage shall be a Forced Outage.

"Scheduled Operations" means operation of a Unit as required to satisfy Buyer's Schedule (including Instructed Operations).

"Scheduled Shut-Down" means a Shut-Down required by Scheduled Operations. Cessation of operations due to Outages or an action of Seller that is not required for Scheduled Operations is not a Scheduled Shut-Down.

"Scheduled Start-Up" means a Start-Up required for Scheduled Operations following a Scheduled Shut-Down. "Scheduled Start-Up" includes a Hot Scheduled Start-Up, Warm Scheduled Start-Up or Cold Scheduled Start-Up.

"Scheduling Coordinator" or "SC" means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff, including Sections 2.2.3, 2.2.4, and 2.5.6 of the CAISO Tariff, for the purposes of undertaking the functions specified in Section 2.2.6, "Responsibilities of a Scheduling Coordinator," of the CAISO Tariff.

"Seasonal Base Capacity Test" has the meaning set forth in Section 4.2(b)(ii).

"Seasonal Capacity Test" is a test of the Unit's capability to deliver Energy conducted during the Services Term in accordance with the Test Procedures.

"Secured Party" means a Party for whose benefit Collateral has been posted by the other Party.

"Seller Group" has the meaning set forth in Section 10.2(b).

"Seller's Capacity Test" has the meaning set forth in Section 3.13 (d)(iv).

"Seller's Collateral Threshold Amount" has the meaning set forth in Section 8.2 (a).

"Seller's Deviation" has the meaning set forth in Section 3.5(c).

"Seller's Event of Default" has the meaning set forth in Section 5.1(a).

"Seller's Guarantor" has the meaning set forth in Section 8.2(a)(ii).

"Seller's Guaranty" is a guarantee of payment from Seller's Guarantor for the benefit of Buyer in the amount specified in Section 8.2(a)(ii) and otherwise in form and substance acceptable to Buyer, in its reasonable discretion.

"Services Term" has the meaning set forth in Section 2.1.

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

"Shut-Down" means the action of causing the Units to cease producing Energy and/or Ancillary Services.

["Single Unit Operation" means operation of one of the combustion turbines and the steam turbine.] ***[Applicable only to combined cycle facilities.]***

"Site" means the real property on which the Facility is located, as identified in Appendix II.

"S&P" means Standard and Poor's Rating Group.

"Start-Up" means the action of bringing a Unit from non-operation to operation at the Unit's Base Load (or in the event that Buyer's Schedule requires operation at less than the Unit's Base Load, the level required by Buyer's Schedule), and the Unit operates at steady state mode for a minimum of one hour. "Start-Up" includes a Hot Start-Up, Warm Start-Up or Cold Start-Up.

"Start-Up Factor Discount" has the meaning set forth in Section 4.5.

"Start-Up Payment" has the meaning set forth in section 4.4.

"Start-Up Rate" means the amount per MW payable by Buyer to Seller for a Successful Scheduled Start-Up, by type of Scheduled Start-Up, as set forth in Section 4.4.

"Successful Scheduled Start-Up" means a Start-Up which meets the requirements of a Successful Start-Up and a Scheduled Start-Up.

"Successful Start-Up" mean that the combustion turbine has completed Start-Up no later than 30 minutes after the time required by Buyer's Schedule.

"Summer Month" means the calendar months of June, July, August and September.

"Termination Payment" has the meaning used in Section 5.2.

"Test Procedures" has the meaning set forth in Section 3.13(b).

[**"Tested Base Capacity" or "Cb" has the meaning set forth in Section 4.2(b)(ii).]** ***[Bracketed language not applicable to renewable facilities. May require modification for fossil-fuel facilities other than combined cycle.]***

"Tested Capacity" has the meaning set forth in Section 3.13(b)(iv).

"Third Party" means a Person that is not a member of the Buyer Group or the Seller Group.

"Third Party Claim" means a claim, suit or similar demand by a Third Party.

"Third Party Payments" has the meaning set forth in Section 3.1(d).

["Tolling Services" means the process whereby Buyer delivers Gas to the Units at the Gas Delivery Point, Seller accepts such Gas and utilizes it to operate its Units to convert the Gas into Energy or Ancillary Services (as required in accordance with the terms of the

Agreement) and the converted Gas is redelivered to Buyer in the form of Energy or Ancillary Services at the Electrical Delivery Point.] ***[Applicable only to tolling agreements.]***

"Transmission Provider" means the CAISO or such other electric utility or transmission operator to which the Unit(s) interconnect.

"Transmission Upgrades" are any additions and/or reinforcements to an electric transmission system that are required as a result of the interconnection of the Units to that transmission system or an interconnected transmission system and/or to permit delivery of the Products into the electric transmission system at the Electrical Delivery Point safely and reliably, in the quantities and at the times at which delivery of such Products may be required under this Agreement, up to and including quantities that can be produced utilizing all of the Maximum Contract Capacity, including upgrades to the network at points beyond the Electrical Delivery Point.

["Unfired Guaranteed Heat Rate" has the meaning set forth in Section 4.2(a)(ii) as further described in Section 4.2(a)(i).

"Unfired Heat Rate Adjustment" or "HRA" has the meaning set forth in Section 4.2(b)(v).] ***Bracketed language not applicable to renewable facilities.]***

"Unit" means a **[combustion turbine, duct burner and associated output from a steam turbine]** as more particularly described in Appendix II from which Seller has agreed to provide Products to Buyer pursuant to this Agreement. ***[Modify as appropriate to the facility.]***

"Units" means the Units, as more particularly described in Appendix II, and all appurtenant facilities and equipment.

"Variable O&M Rate" or "VOMR" has the meaning set forth in Section 4.3(a).

"Warm Start-Up" means a Start-Up that occurs more than __ hours and less than __ hours after a Shut-Down.

"Warm Scheduled Start-Up" means a Warm Start-Up required for Scheduled Operations following a Scheduled Shut-Down.

"WECC" means the Western Electricity Coordinating Council.

"Winter Months" means the calendar months of December and January.

"Work" means with reference to a Person, hereinafter "You," (a) work or operations performed by you or on your 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 "your work"; and (ii) the providing of or failure to provide warnings or instructions.

APPENDIX II - DESCRIPTION OF FACILITY, UNITS AND OPERATIONAL LIMITATIONS

FACILITY DESCRIPTION

Facility name:

Facility Site name:

Facility physical address:

Total number of units at the facility (committed and not committed to Buyer): 2

Number of Units at the Facility committed to Buyer: ___ (with associated facilities, as described below)

UNIT(S) DESCRIPTION

Units (for each unit committed to Buyer):

Unit name:

Technology type:

Specific Unit description: **[Provide detailed Unit(s) description]**

Design capacity: Refer to Capacity table showing Design Capacity and Monthly Contract Capacity for each month listed in the table at the end of this Appendix II.

Maximum Contract Capacity: _____MW

Interconnection. The Electrical Delivery Point for the Units is described as follows:

Distribution Area: PG&E Transmission System

Congestion Zone: NP-15

Demand Zone: NP-15

Delivery Point: _____

Delivery Point Address: _____

Additional Information:

Operational Limitations

Starts

The terms “Start-Up”, “Cold Start-Up”, “Warm Start-Up”, and “Hot Start-Up” are defined terms with the meaning set forth in this Agreement.

[For the purpose of filling out this Appendix, Start-up Fuel Use should be the amound of gas utilized in the act of bringing a Unit from non-operation to operation at Base Load (maximum output without duct or power augmentation). If necessary, provide details for starting up each Unit as well as all Units offered in the PPA.]

Starts Fuel Use:

Cold Start-Up –_____MMbtu

Warm Start-Up – _____ MMbtu

Hot Start-Up– _____ MMbtu

Start-Up Time:

[For the purpose of filling out this Appendix, Start-up time is the amount of time needed to bring a Unit from non-operation to operation at Base Load (maximum output without duct firing or power augmentation). If necessary, provide details for starting up each Unit as well as all Units offered in the PPA.]

Cold Start-Up – ___ minutes

Warm Start-Up – ___ minutes

Hot Start-Up – ___ minutes

Start Limitations

[Describe Start Limitations for each Unit operating independently and for all Units simultaneously. Refer to Emissions Restrictions in this Appendix II, if necessary.]

Ramp Rates

[Describe Ramp Rates for each Unit operating independently and for all Units operating simultaneously.]

Under AGC

The maximum ramp rate is ___ MW/minute.

Under Local Control

The maximum ramp rate is ___ MW/minute.

Minimum Times

[Describe Minimum Times for each Unit operating independently and for all Units operating simultaneously.]

The minimum uptime after a start is ___.

The minimum downtime after a shutdown is ___.

Ancillary Services

Ancillary Services, at ISO conditions, normal efficiency mode:

[Specification of ancillary services capability including spinning reserves, quick start reserves, and regulating reserves for example]

Minimum Load of Each Unit (at ISO Conditions):

____ MWs

[For qualifying cogeneration facilities: specify operational limitations necessary to maintain QF status]

Emissions Restrictions

The Units must be operated in a manner that permits their compliance with _____. Seller will obtain [the requisite permits.]

The [permit] shall allow for sufficient operational flexibility to meet the terms of this agreement [Note: Seller shall describe permit details].

Other Restrictions:

[Provide a description of any other any other operational limitations not covered above]

Capacity Table

	Dry Bulb Temperature °F	Relative Humidity %	Barometric Pressure* psia	Plant Net Output MWs
ISO Conditions	59	60		
Peak July Conditions				
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

* at plant elevation

Guaranteed Output and Heat Rate

ISO Conditions

All Units Operating		Single Unit Operating	
Guaranteed Heat Rate Points	Guaranteed Net Electric Output	Guaranteed Heat Rate Points	Guaranteed Net Electric Output

Peak July Conditions

All Units Operating		Single Unit Operating	
Guaranteed Heat Rate Points	Guaranteed Net Electric Output	Guaranteed Heat Rate Points	Guaranteed Net Electric Output

Output and Heat Rate Degradation
[**Seller to modify and provide details for Facility's specific technology]**

Equivalent Operating Hours (EOH)	% Degradation Output	% Degradation Heat Rate
0		
8,000		
16,000		
24,000		
32,000		
40,000		
48,000		
48,000*		
56,000		
64,000		
72,000		
80,000		
88,000		
96,000		
96,000*		

All values are established as a function of the Equivalent Operating Hours. A value at any intermediate time shall be determined by linear interpolation between the two times that bound it. *Second duplicate value indicates value after major CT overhaul. **[Seller to provide definition of Equivalent Operating Hours for specific technology offered]**

Based on the above:

HDF = ____

APPENDIX III

COUNTERPARTY NOTIFICATION REQUIREMENTS FOR OUTAGES, AVAILABILITY AND GENERATION SCHEDULES

A. AREA CONTROL CENTERS NOTIFICATION REQUIREMENTS

ALWAYS notify your designated Area Control Center of Shut-Downs and Start-Ups as follows:

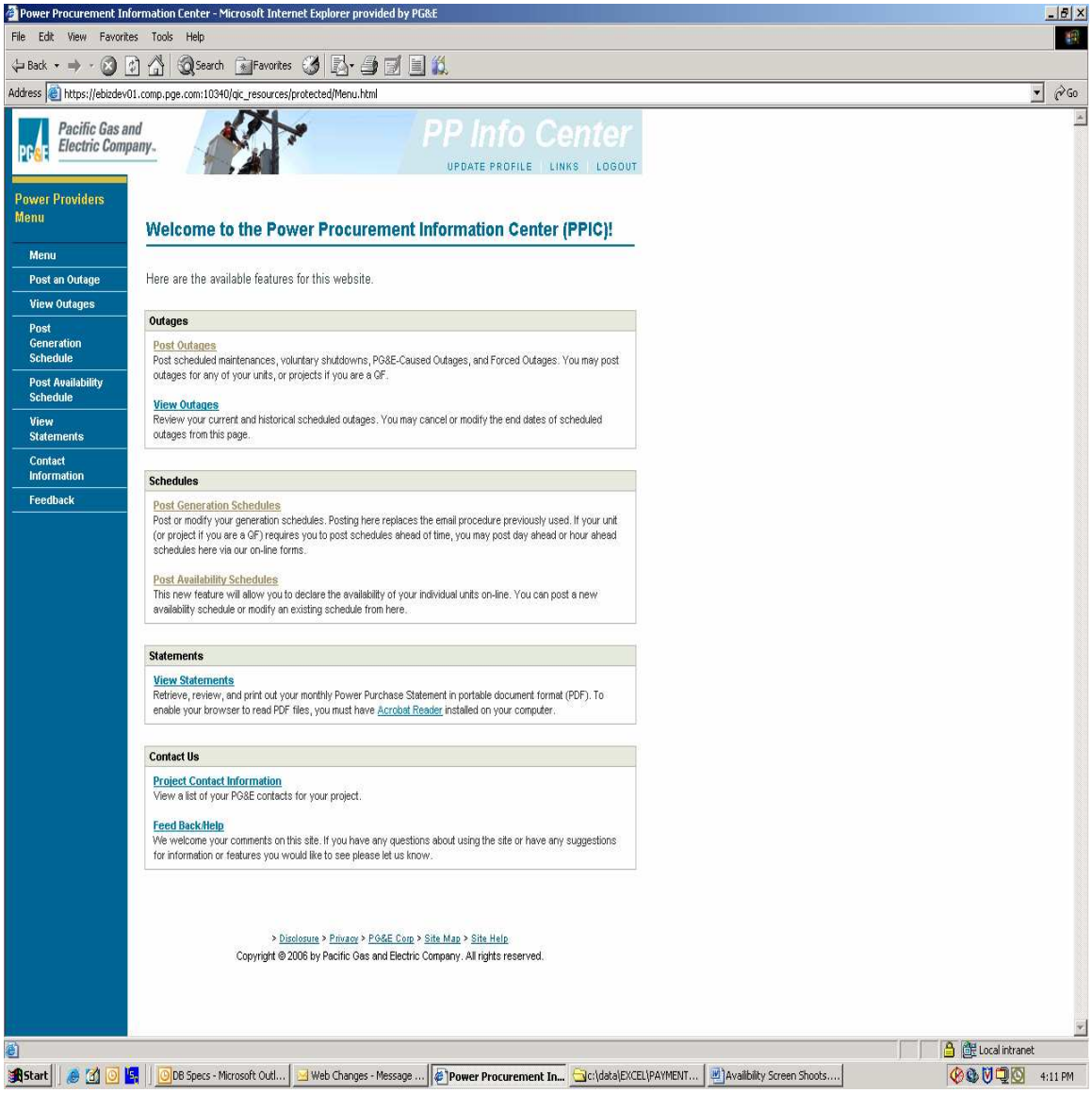
- Call for permission to parallel before any Start-Up at the appropriate Area Control Centers (see **Attachment B** at the end of this Appendix)
- Call your Area Control Center again after start-up with parallel time.
- Call your Area Control Center after any separation and report separation time as well as date and time estimate for return to service.

B. COUNTERPARTY SETTLEMENTS NOTIFICATION REQUIREMENTS

This part of Appendix III covers (I) the instructions for submitting generation and/or availability schedules, and outage information to PG&E's Bilateral Settlements for each Unit and (II) the cut off times that determine when certain of these notifications need to be communicated directly (i.e., called in) to PG&E's Short-Term Electric Supply.

I. Submission of Outages, Generation and/or Availability Schedules

1. Submit weekly or daily Generation and/or Availability Schedules by posting to the following secure internet site: http://www.pge.com/suppliers_purchasing/power_procurement/index.html. Contact PG&E's Bilateral Settlements' group to get permission and your password to access this web site. Once logged into the registered web site, select either the "Post Generation Schedules" or "Post Availability Schedules". This is the recommended method as it will allow your Unit's schedules to be automatically uploaded if they meet contractual terms and conditions and to be viewable for further corrections if necessary. Note that this web site is also used for unit Changes in Availability and Outage Notifications. *(A full set of PG&E's screen shots to "Post Availability Schedules" is included at the bottom of this Appendix – see **Attachment A**.)*



2. If internet is unavailable, email to BilateralSchedules@pge.com. Using this method, data is to be submitted using an Excel spreadsheet in the following format: assigned log # of unit in first column; date and time (i.e., Hour Ending) in second column; and, generation or availability level in kW in third column. Contact your designated PG&E Settlement Analyst or the Manager of Bilateral Settlements if you encounter any issue. ***(This method should only be used if submission of data via web site is not working properly.)***

3. Whenever your unit experiences an outage, plans to schedule maintenance, changes its availability commitment, or is derated, use the "Post Outages" option in PG&E's registered web site (or email the attached hard copy form) to comply with the notification requirements under the contract. The Availability/Outage Notification Form on this site must be completely filled out, including date and start time of event, cause of the event, expected duration, expected date and time of return to service and/or full output. Based on the cut off times, expected return to service, and contractual terms and conditions, this information may also need to be called in to PG&E's Short-Term Electric Supply group (see Section II and part C of this appendix below).

4. Testing a Unit During an Outage: Seller must notify in advance its designated Area Control Center, Outage Coordinator, and Bilateral Settlements Analyst before testing its unit during an outage. Seller should indicate on the Availability/Outage Notification Form if and when testing is to be conducted during an outage.

5. Logs of Communication Records with PG&E's Area Control Center and Electric Settlements personnel: Seller shall maintain written records of all communiqués with PG&E which will be available for audit at PG&E's request. These records shall include, but not be limited to, system parallel operation or separation, scheduled and unscheduled outages, equipment clearances, protective relay operations, levels of operating voltage and reactive power, and daily capacity and generation reports.

II. Cut Off Times for Notifications to Bilateral Settlements Versus Having to Contact Short-Term Electric Supply Directly

1. Even though Bilateral Settlements requires that all Day-head and Hour-Ahead schedules and outages be submitted via the Internet web site, (or in the event it is not available email) in cases where information has changed (i.e., exceptions) Seller must call:

   (i) the Day-Ahead Trading Desk with updated Day-Ahead information at least 5 hours prior to the ISO Day-Ahead scheduling deadline for that delivery day;
   (ii) the Hour-Ahead Trading Desk with any Hour-Ahead or Real-Time changes or notifications at least 30 minutes prior to the ISO scheduling deadline for that delivery hour; and,
   (iii) the Outage Coordinator with any outage information that was not submitted to Bilateral Settlements at least 38 hours prior to the delivery day.

2. Notifications and schedules submitted at least 38 hours prior to the delivery day will automatically be disseminated throughout PG&E and consequently need not be called in to Short-Term Electric Supply.

C. SHORT-TERM ELECTRIC SUPPLY NOTIFICATION REQUIREMENTS

1. ALWAYS notify appropriate PG&E Day-Ahead or Hour-Ahead schedulers of Outages and schedule changes if options in part B above are not available (i.e., past the cut off time to submit Day-Ahead data or changes).

    a. Day-Ahead Schedule (see table below) for the next day must be sent to Day-Ahead Trading Desk on a daily basis between the hours of 12:01 a.m. and 5 a.m.
    b. Real-Time curtailments, trips and any other schedule changes must be immediately conveyed to the PG&E Hour-Ahead Trading Desk via phone call.
    c.

Day-Ahead Trading Desk	Hour-Ahead Trading Desk	Outage Coordinator
Tel: 415-973-6222	Tel: 415-973-7900	Tel: 415-973-2038
daenergy@pge.com	rtenergy@pge.com	PGOutageCoordination@pge.com

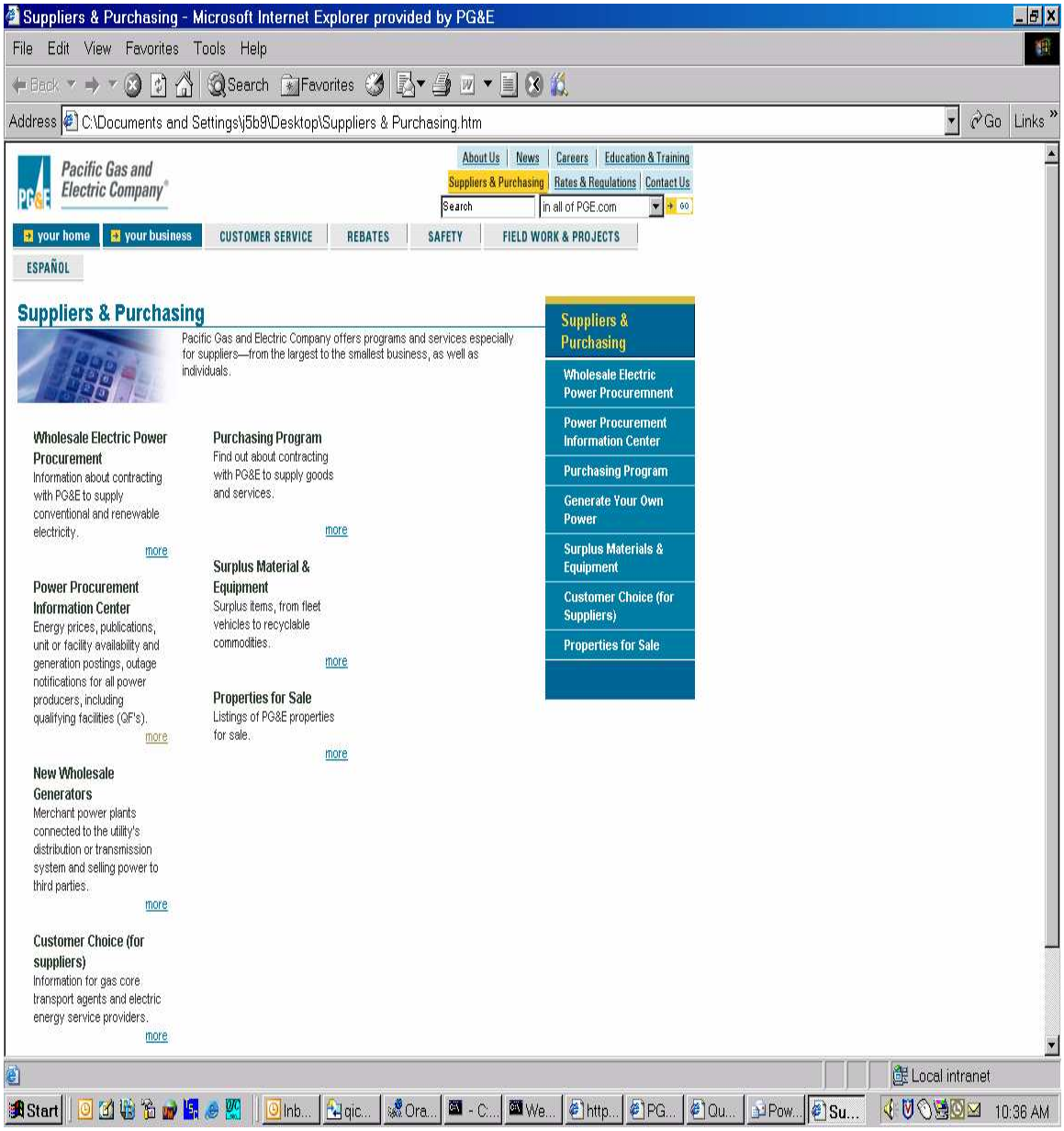
DAY-AHEAD SCHEDULE

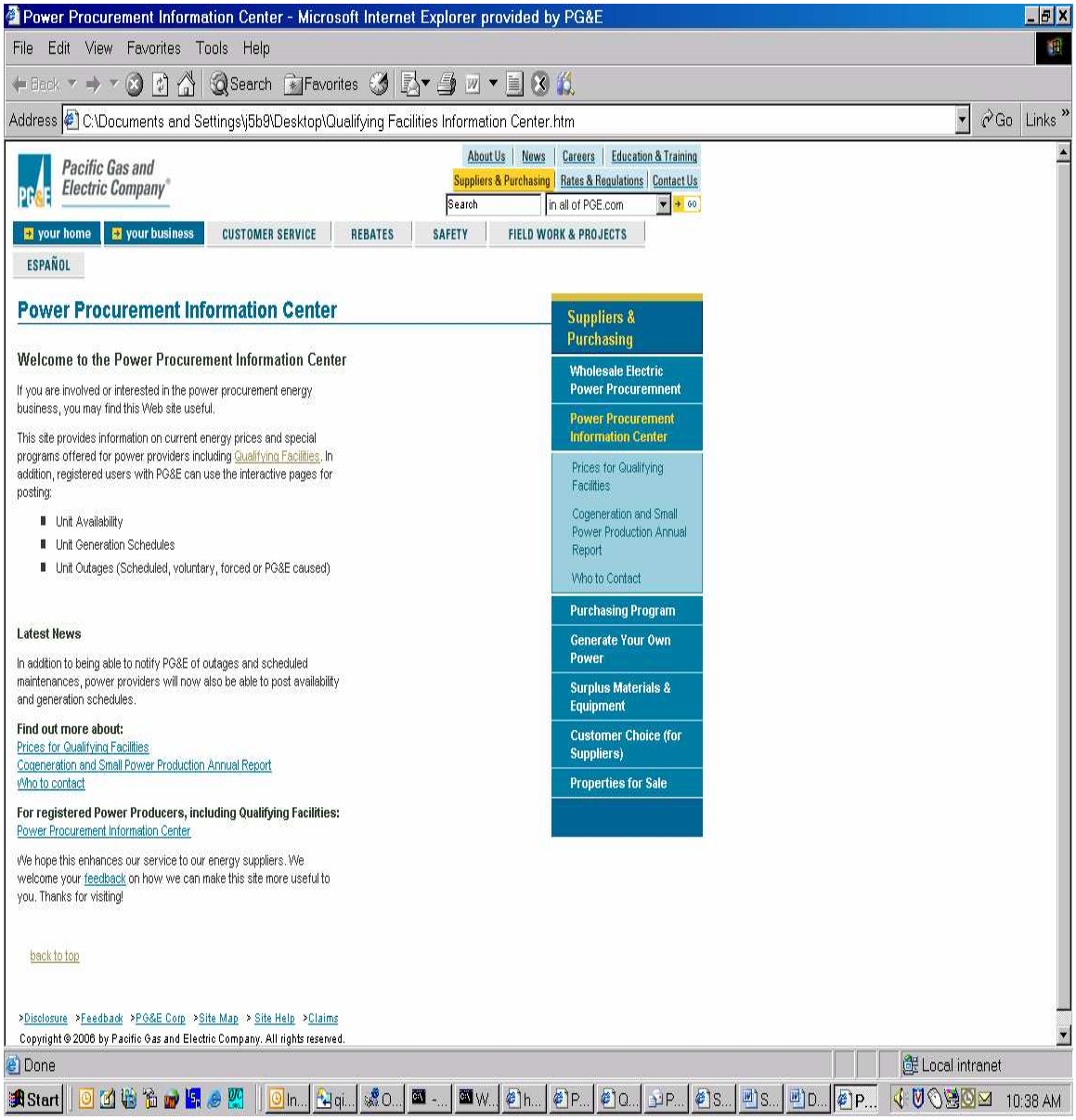
Unit/Facility Name: _____ **PG&E Log #: _____**

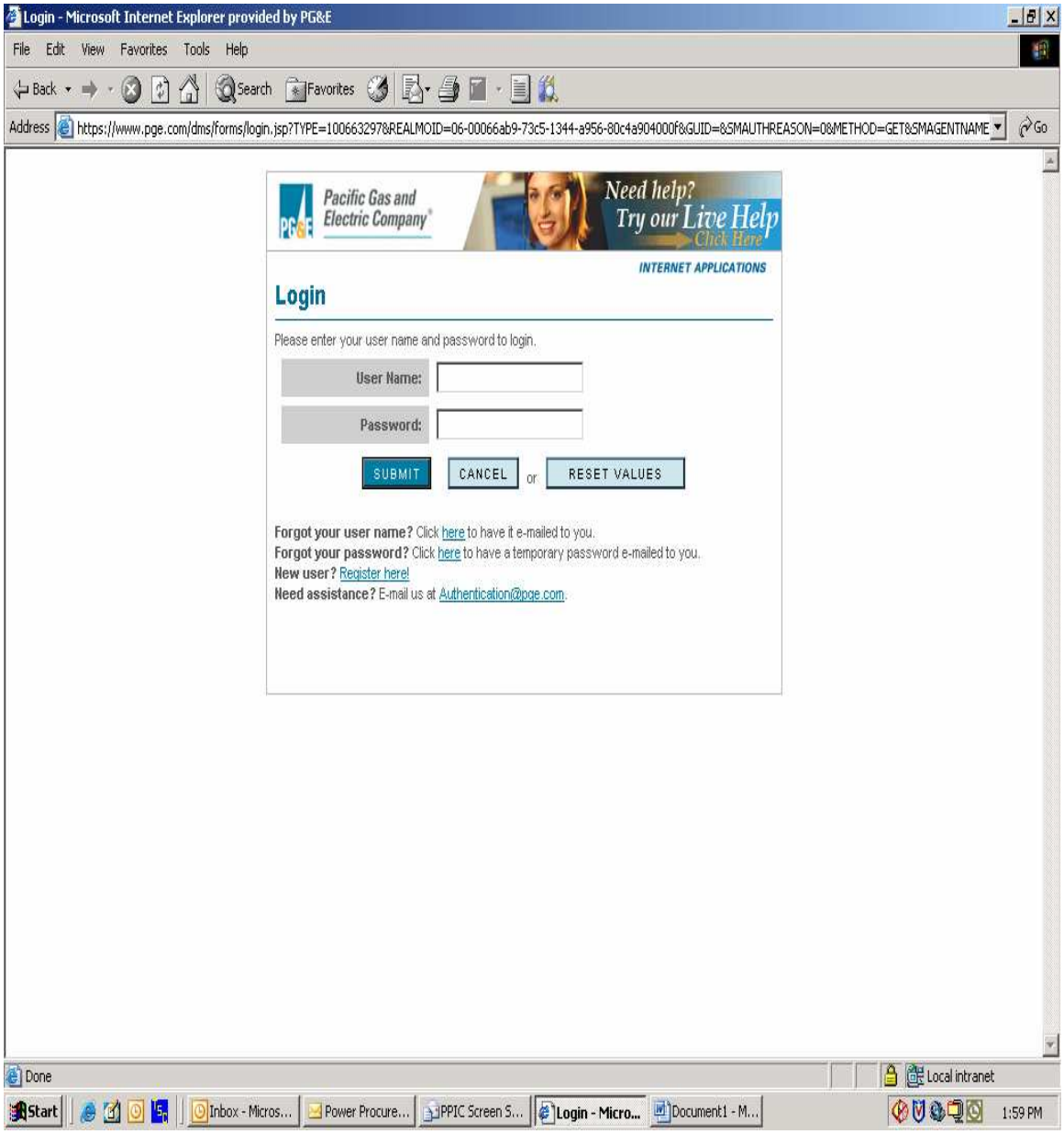
Name of Person Submitting Data: _____ **Phone #: _____**

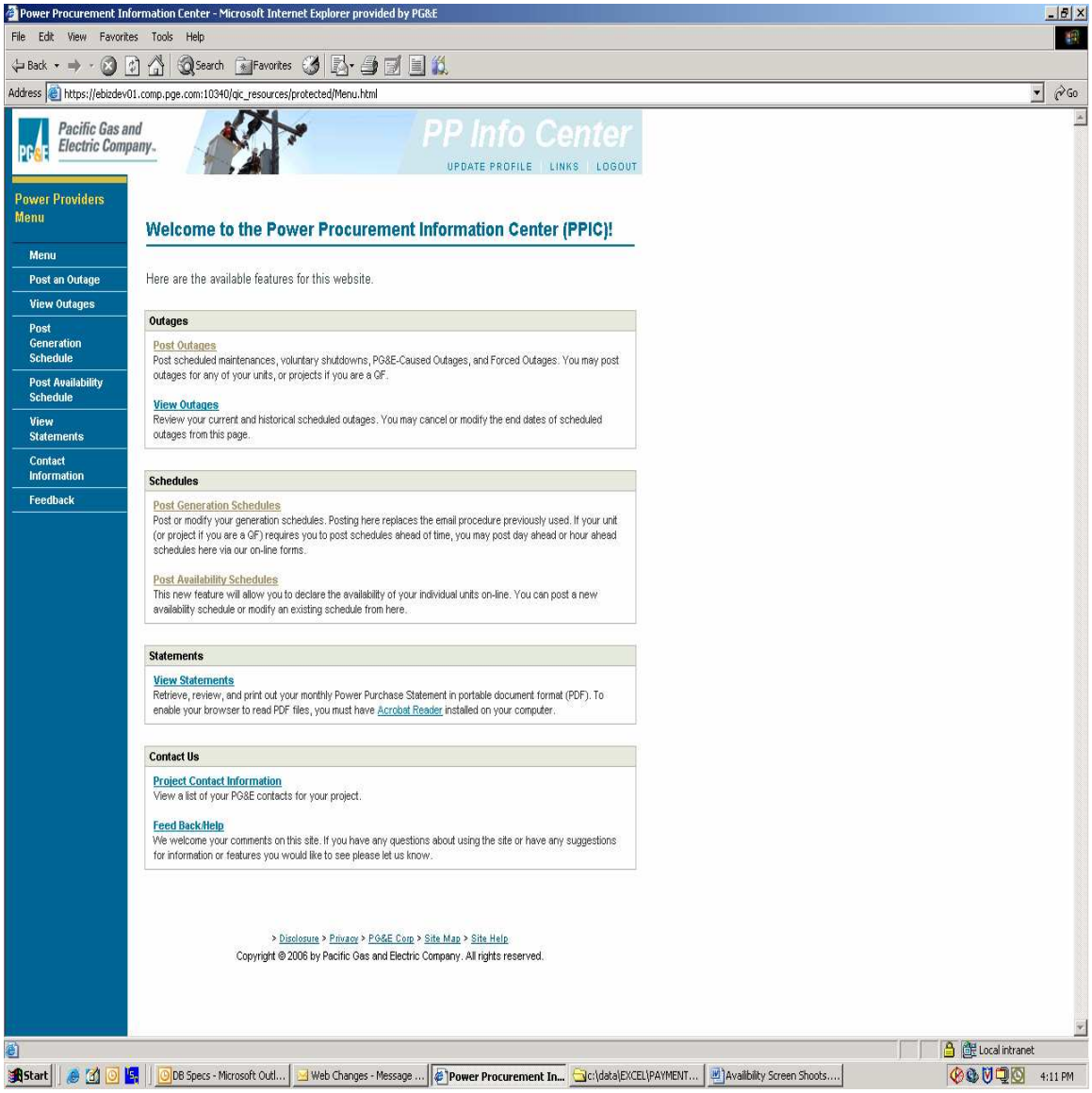
Reduction of Fully Available Capacity? Y / N			
Date Submitted:	-	Pre-schedule Day:	-
Hour Ending	MW's Available	Hour Ending	MW's Available
1		13	
2		14	
3		15	
4		16	
5		17	
6		18	
7		19	
8		20	
9		21	
10		22	
11		23	
12		24	
		25*	

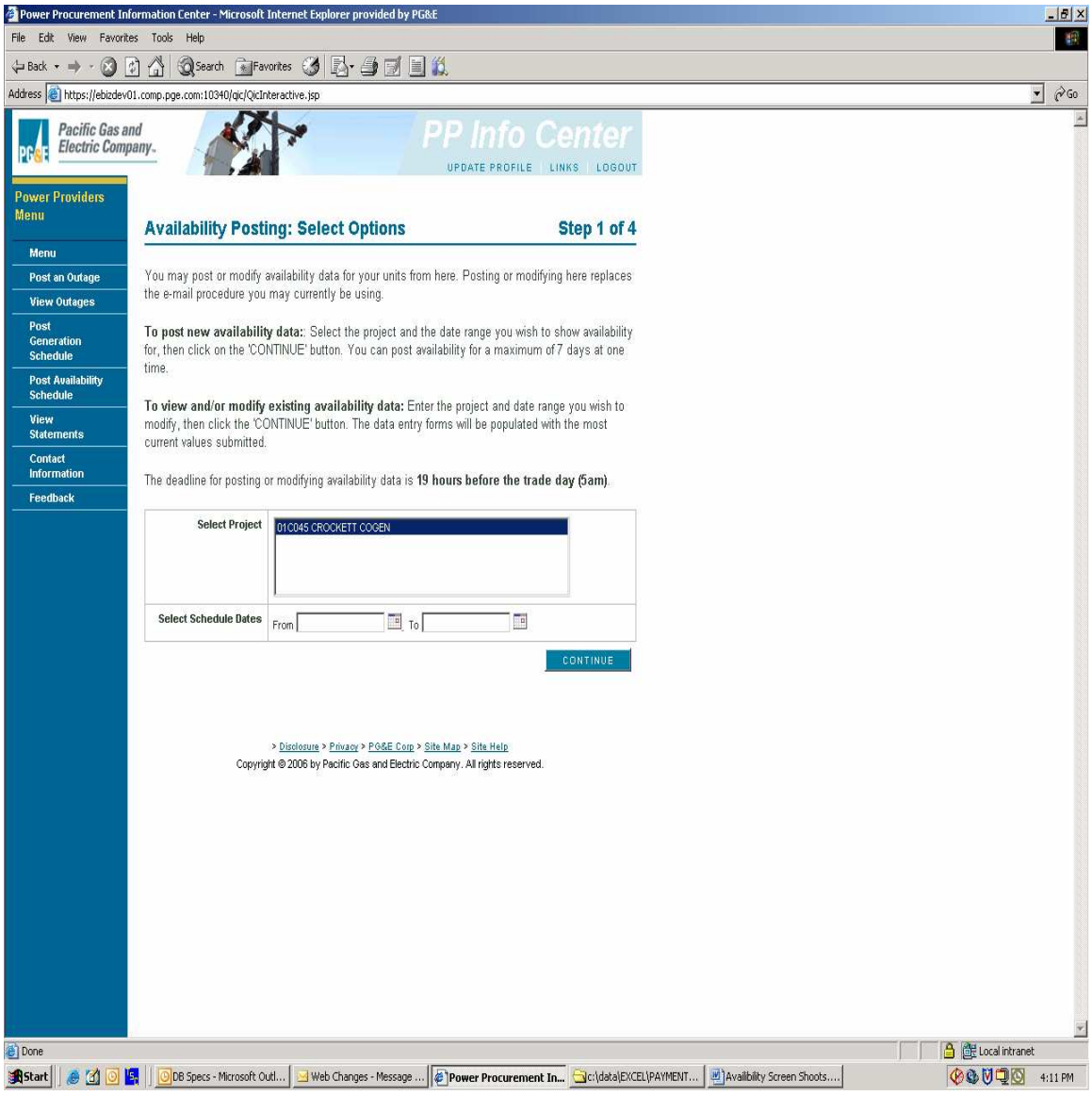
* Note: The 25th hour applies to the day Daylight Savings Time (DST) ends.

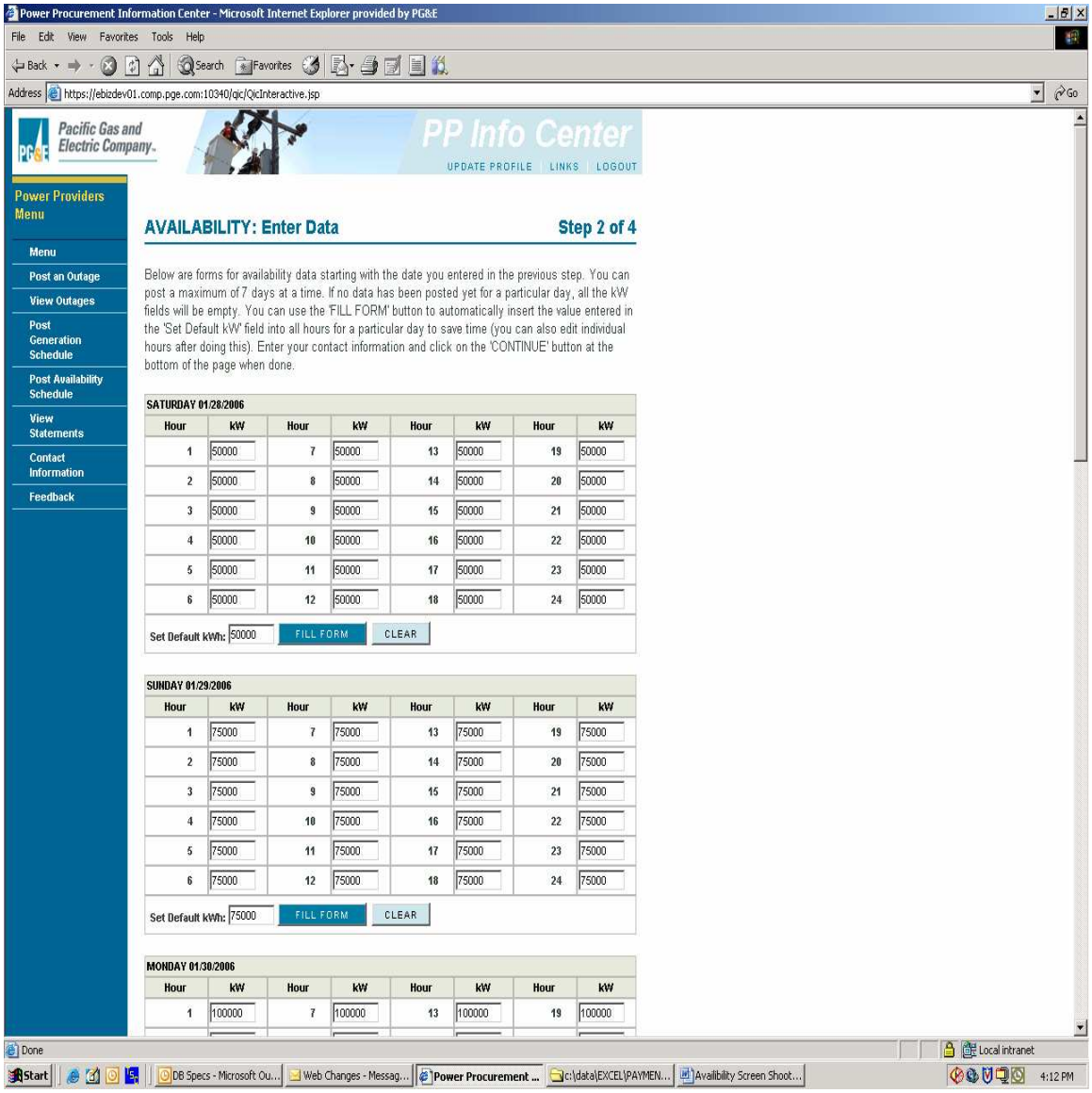

Suppliers & Purchasing - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Address C:\Documents and Settings\j5b9\Desktop\Suppliers & Purchasing.htm
Pacific Gas and Electric Company
About Us | News | Careers | Education & Training
Suppliers & Purchasing | Rates & Regulations | Contact Us
Search in all of PGE.com
your home | your business | CUSTOMER SERVICE | REBATES | SAFETY | FIELD WORK & PROJECTS
ESPAÑOL
Suppliers & Purchasing
Pacific Gas and Electric Company offers programs and services especially for suppliers—from the largest to the smallest business, as well as individuals.
Wholesale Electric Power Procurement
Information about contracting with PG&E to supply conventional and renewable electricity.
more
Power Procurement Information Center
Energy prices, publications, unit or facility availability and generation postings, outage notifications for all power producers, including qualifying facilities (QF's).
more
New Wholesale Generators
Merchant power plants connected to the utility's distribution or transmission system and selling power to third parties.
more
Customer Choice (for suppliers)
Information for gas core transport agents and electric energy service providers.
more
Purchasing Program
Find out about contracting with PG&E to supply goods and services.
more
Surplus Material & Equipment
Surplus items, from fleet vehicles to recyclable commodities.
more
Properties for Sale
Listings of PG&E properties for sale.
more
Suppliers & Purchasing
Wholesale Electric Power Procuremnent
Power Procurement Information Center
Purchasing Program
Generate Your Own Power
Surplus Materials & Equipment
Customer Choice (for Suppliers)
Properties for Sale
Local intranet
Start
10:36 AM

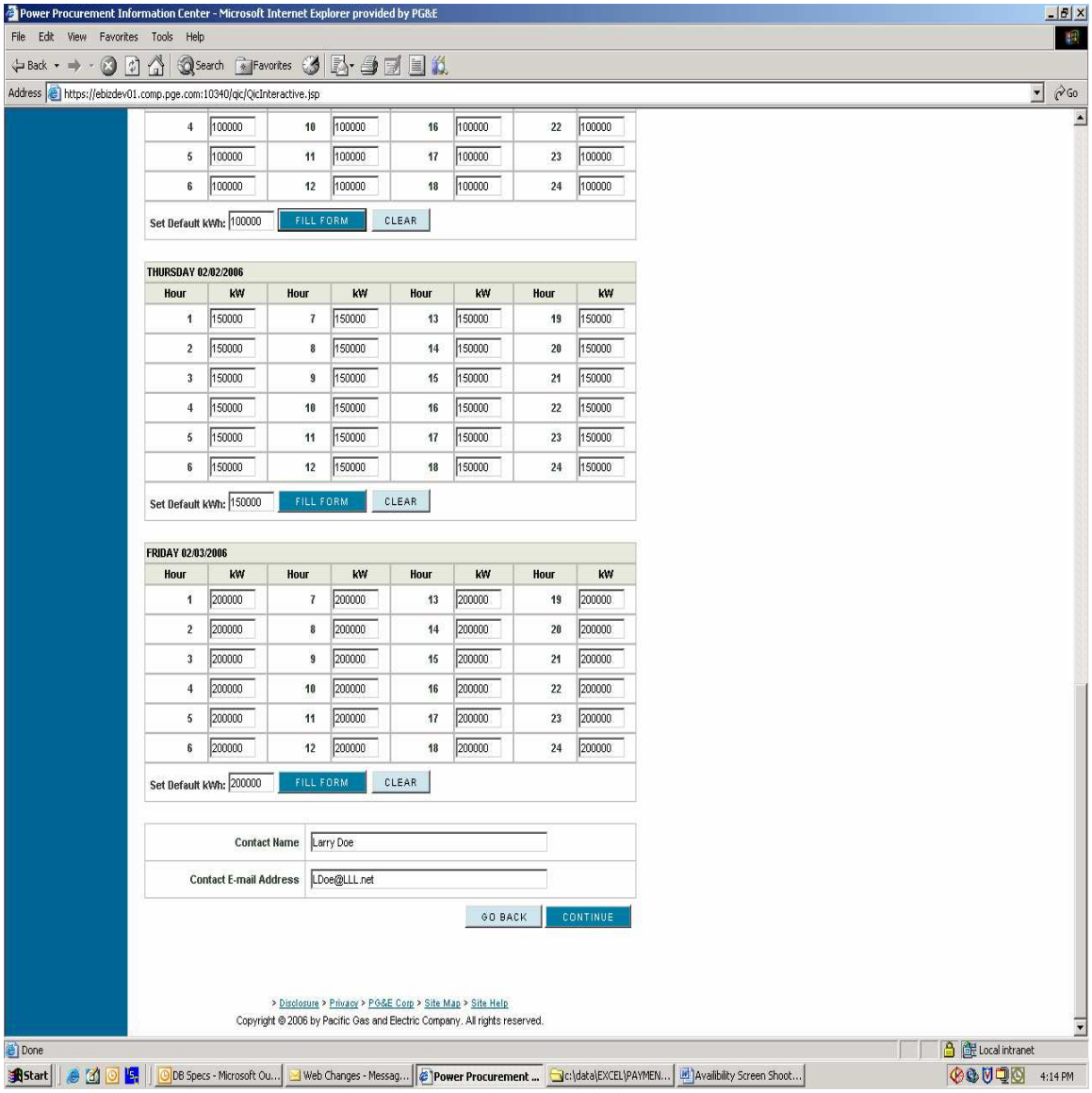

Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Address C:\Documents and Settings\j5b9\Desktop\Qualifying Facilities Information Center.htm
Pacific Gas and Electric Company
About Us | News | Careers | Education & Training
Suppliers & Purchasing | Rates & Regulations | Contact Us
Search in all of PGE.com
your home | your business | CUSTOMER SERVICE | REBATES | SAFETY | FIELD WORK & PROJECTS
ESPAÑOL
Power Procurement Information Center
Welcome to the Power Procurement Information Center
If you are involved or interested in the power procurement energy business, you may find this Web site useful.
This site provides information on current energy prices and special programs offered for power providers including Qualifying Facilities. In addition, registered users with PG&E can use the interactive pages for posting:
Unit Availability
Unit Generation Schedules
Unit Outages (Scheduled, voluntary, forced or PG&E caused)
Latest News
In addition to being able to notify PG&E of outages and scheduled maintenances, power providers will now also be able to post availability and generation schedules.
Find out more about:
Prices for Qualifying Facilities
Cogeneration and Small Power Production Annual Report
Who to contact
For registered Power Producers, including Qualifying Facilities:
Power Procurement Information Center
We hope this enhances our service to our energy suppliers. We welcome your feedback on how we can make this site more useful to you. Thanks for visiting!
back to top
Suppliers & Purchasing
Wholesale Electric Power Procuremnent
Power Procurement Information Center
Prices for Qualifying Facilities
Cogeneration and Small Power Production Annual Report
Who to Contact
Purchasing Program
Generate Your Own Power
Surplus Materials & Equipment
Customer Choice (for Suppliers)
Properties for Sale
>Disclosure >Feedback >PG&E Corp >Site Map >Site Help >Claims
Copyright © 2006 by Pacific Gas and Electric Company. All rights reserved.
Done
Local intranet
Start
10:38 AM

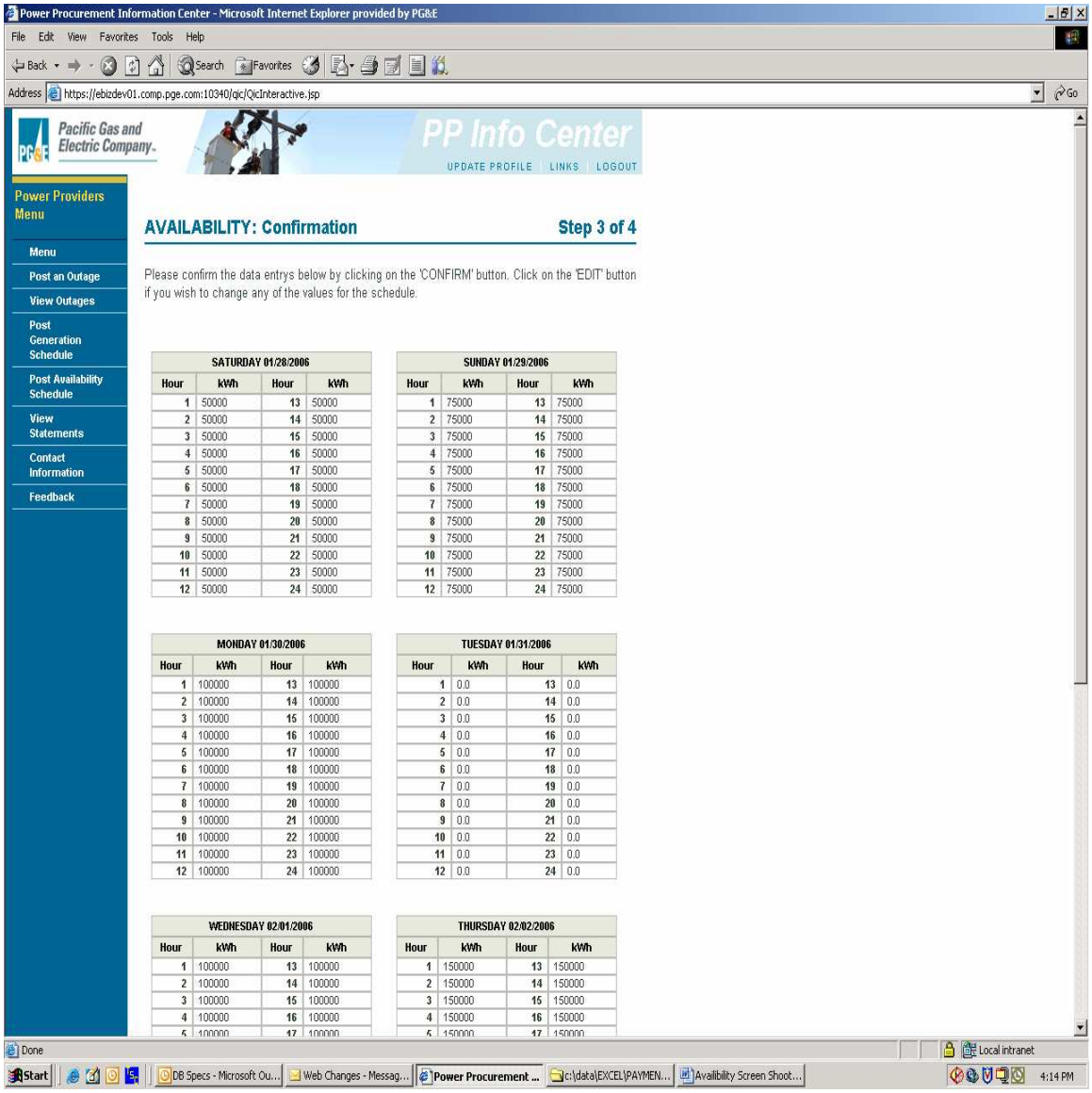

Login - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://www.pge.com/dms/forms/login.jsp?TYPE=100663297&REALMOID=06-00066ab9-73c5-1344-a956-80c4a904000f&GUID=&SMAUTHREASON=0&METHOD=GET&SMAGENTNAME
Go
Pacific Gas and Electric Company
Need help? Try our Live Help Click Here
INTERNET APPLICATIONS
Login
Please enter your user name and password to login.
User Name:
Password:
SUBMIT
CANCEL
or
RESET VALUES
Forgot your user name? Click here to have it e-mailed to you.
Forgot your password? Click here to have a temporary password e-mailed to you.
New user? Register here!
Need assistance? E-mail us at Authentication@pge.com.
Done
Local intranet
Start
Inbox - Micros...
Power Procure...
PPIC Screen S...
Login - Micro...
Document1 - M...
1:59 PM

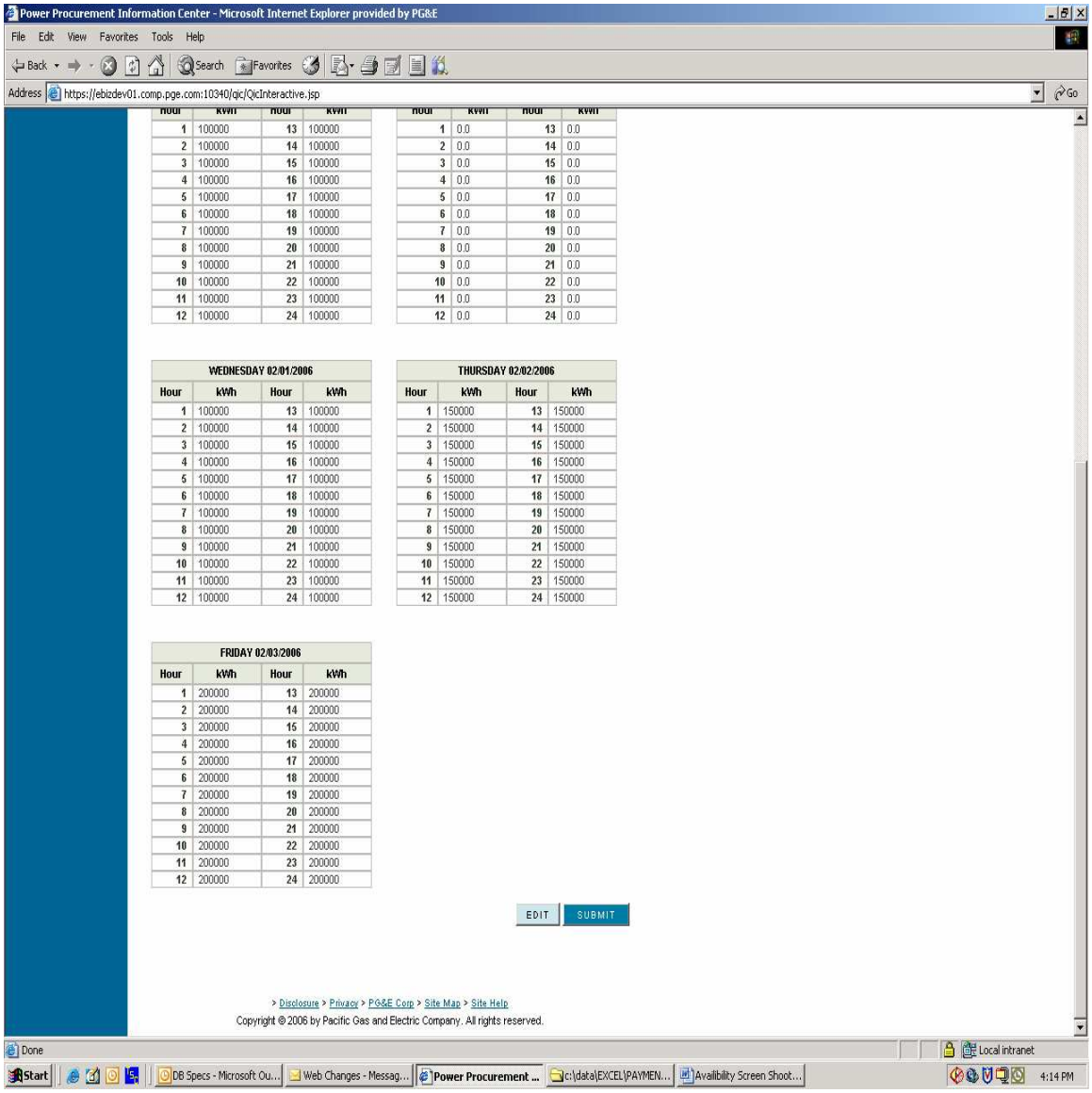

Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://ebizdev01.comp.pge.com:10340/qic_resources/protected/Menu.html
Go
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE | LINKS | LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Contact Information
Feedback
Welcome to the Power Procurement Information Center (PPIC)!
Here are the available features for this website.
Outages
Post Outages
Post scheduled maintenances, voluntary shutdowns, PG&E-Caused Outages, and Forced Outages. You may post outages for any of your units, or projects if you are a QF.
View Outages
Review your current and historical scheduled outages. You may cancel or modify the end dates of scheduled outages from this page.
Schedules
Post Generation Schedules
Post or modify your generation schedules. Posting here replaces the email procedure previously used. If your unit (or project if you are a QF) requires you to post schedules ahead of time, you may post day ahead or hour ahead schedules here via our on-line forms.
Post Availability Schedules
This new feature will allow you to declare the availability of your individual units on-line. You can post a new availability schedule or modify an existing schedule from here.
Statements
View Statements
Retrieve, review, and print out your monthly Power Purchase Statement in portable document format (PDF). To enable your browser to read PDF files, you must have Acrobat Reader installed on your computer.
Contact Us
Project Contact Information
View a list of your PG&E contacts for your project.
Feed Back/Help
We welcome your comments on this site. If you have any questions about using the site or have any suggestions for information or features you would like to see please let us know.
> Disclosure > Privacy > PG&E Corp > Site Map > Site Help
Copyright © 2006 by Pacific Gas and Electric Company. All rights reserved.
Local intranet
Start
DB Specs - Microsoft Outl...
Web Changes - Message ...
Power Procurement In...
c:\data\EXCEL\PAYMENT...
Availibility Screen Shoots....
4:11 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://ebizdev01.comp.pge.com:10340/qic/QicInteractive.jsp
Go
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE | LINKS | LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Contact Information
Feedback
Availability Posting: Select Options
Step 1 of 4
You may post or modify availability data for your units from here. Posting or modifying here replaces the e-mail procedure you may currently be using.
To post new availability data: Select the project and the date range you wish to show availability for, then click on the 'CONTINUE' button. You can post availability for a maximum of 7 days at one time.
To view and/or modify existing availability data: Enter the project and date range you wish to modify, then click the 'CONTINUE' button. The data entry forms will be populated with the most current values submitted.
The deadline for posting or modifying availability data is 19 hours before the trade day (5am).
Select Project
01C045 CROCKETT COGEN
Select Schedule Dates
From
To
CONTINUE
> Disclosure > Privacy > PG&E Corp > Site Map > Site Help
Copyright © 2006 by Pacific Gas and Electric Company. All rights reserved.
Done
Local intranet
Start
DB Specs - Microsoft Outl...
Web Changes - Message ...
Power Procurement In...
c:\data\EXCEL\PAYMENT...
Availibility Screen Shoots....
4:11 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Address https://ebizdev01.comp.pge.com:10340/qic/QicInteractive.jsp
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE LINKS LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Contact Information
Feedback
AVAILABILITY: Enter Data
Step 2 of 4
Below are forms for availability data starting with the date you entered in the previous step. You can post a maximum of 7 days at a time. If no data has been posted yet for a particular day, all the kW fields will be empty. You can use the 'FILL FORM' button to automatically insert the value entered in the 'Set Default kW' field into all hours for a particular day to save time (you can also edit individual hours after doing this). Enter your contact information and click on the 'CONTINUE' button at the bottom of the page when done.
SATURDAY 01/28/2006
Hour kW Hour kW Hour kW Hour kW
1 50000 7 50000 13 50000 19 50000
2 50000 8 50000 14 50000 20 50000
3 50000 9 50000 15 50000 21 50000
4 50000 10 50000 16 50000 22 50000
5 50000 11 50000 17 50000 23 50000
6 50000 12 50000 18 50000 24 50000
Set Default kWh: 50000 FILL FORM CLEAR
SUNDAY 01/29/2006
Hour kW Hour kW Hour kW Hour kW
1 75000 7 75000 13 75000 19 75000
2 75000 8 75000 14 75000 20 75000
3 75000 9 75000 15 75000 21 75000
4 75000 10 75000 16 75000 22 75000
5 75000 11 75000 17 75000 23 75000
6 75000 12 75000 18 75000 24 75000
Set Default kWh: 75000 FILL FORM CLEAR
MONDAY 01/30/2006
Hour kW Hour kW Hour kW Hour kW
1 100000 7 100000 13 100000 19 100000
Done
Local intranet
Start
DB Specs - Microsoft Ou...
Web Changes - Messag...
Power Procurement ...
c:\data\EXCEL\PAYMEN...
Availability Screen Shoot...
4:12 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://ebizdev01.comp.pge.com:10340/qic/QicInteractive.jsp
Set Default kWh: 100000 FILL FORM CLEAR
THURSDAY 02/02/2006
Hour kW Hour kW Hour kW Hour kW
Set Default kWh: 150000 FILL FORM CLEAR
FRIDAY 02/03/2006
Hour kW Hour kW Hour kW Hour kW
Set Default kWh: 200000 FILL FORM CLEAR
Contact Name Larry Doe
Contact E-mail Address LDoe@LLL.net
GO BACK CONTINUE
> Disclosure > Privacy > PG&E Corp > Site Map > Site Help
Copyright © 2006 by Pacific Gas and Electric Company. All rights reserved.
Done
Local intranet
Start
DB Specs - Microsoft Ou...
Web Changes - Messag...
Power Procurement ...
c:\data\EXCEL\PAYMEN...
Availability Screen Shoot...
4:14 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://ebizdev01.comp.pge.com:10340/qic/QicInteractive.jsp
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE LINKS LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Contact Information
Feedback
AVAILABILITY: Confirmation
Step 3 of 4
Please confirm the data entrys below by clicking on the 'CONFIRM' button. Click on the 'EDIT' button if you wish to change any of the values for the schedule.
SATURDAY 01/28/2006
Hour kWh Hour kWh
1 50000 13 50000
2 50000 14 50000
3 50000 15 50000
4 50000 16 50000
5 50000 17 50000
6 50000 18 50000
7 50000 19 50000
8 50000 20 50000
9 50000 21 50000
10 50000 22 50000
11 50000 23 50000
12 50000 24 50000
SUNDAY 01/29/2006
Hour kWh Hour kWh
1 75000 13 75000
2 75000 14 75000
3 75000 15 75000
4 75000 16 75000
5 75000 17 75000
6 75000 18 75000
7 75000 19 75000
8 75000 20 75000
9 75000 21 75000
10 75000 22 75000
11 75000 23 75000
12 75000 24 75000
MONDAY 01/30/2006
Hour kWh Hour kWh
1 100000 13 100000
2 100000 14 100000
3 100000 15 100000
4 100000 16 100000
5 100000 17 100000
6 100000 18 100000
7 100000 19 100000
8 100000 20 100000
9 100000 21 100000
10 100000 22 100000
11 100000 23 100000
12 100000 24 100000
TUESDAY 01/31/2006
Hour kWh Hour kWh
1 0.0 13 0.0
2 0.0 14 0.0
3 0.0 15 0.0
4 0.0 16 0.0
5 0.0 17 0.0
6 0.0 18 0.0
7 0.0 19 0.0
8 0.0 20 0.0
9 0.0 21 0.0
10 0.0 22 0.0
11 0.0 23 0.0
12 0.0 24 0.0
WEDNESDAY 02/01/2006
Hour kWh Hour kWh
1 100000 13 100000
2 100000 14 100000
3 100000 15 100000
4 100000 16 100000
THURSDAY 02/02/2006
Hour kWh Hour kWh
1 150000 13 150000
2 150000 14 150000
3 150000 15 150000
4 150000 16 150000
Done
Local intranet
Start
DB Specs - Microsoft Ou...
Web Changes - Messag...
Power Procurement ...
c:\data\EXCEL\PAYMEN...
Availability Screen Shoot...
4:14 PM



Hour	kWh	Hour	kWh
1	100000	13	100000
2	100000	14	100000
3	100000	15	100000
4	100000	16	100000
5	100000	17	100000
6	100000	18	100000
7	100000	19	100000
8	100000	20	100000
9	100000	21	100000
10	100000	22	100000
11	100000	23	100000
12	100000	24	100000

Hour	kWh	Hour	kWh
1	0.0	13	0.0
2	0.0	14	0.0
3	0.0	15	0.0
4	0.0	16	0.0
5	0.0	17	0.0
6	0.0	18	0.0
7	0.0	19	0.0
8	0.0	20	0.0
9	0.0	21	0.0
10	0.0	22	0.0
11	0.0	23	0.0
12	0.0	24	0.0

WEDNESDAY 02/01/2006

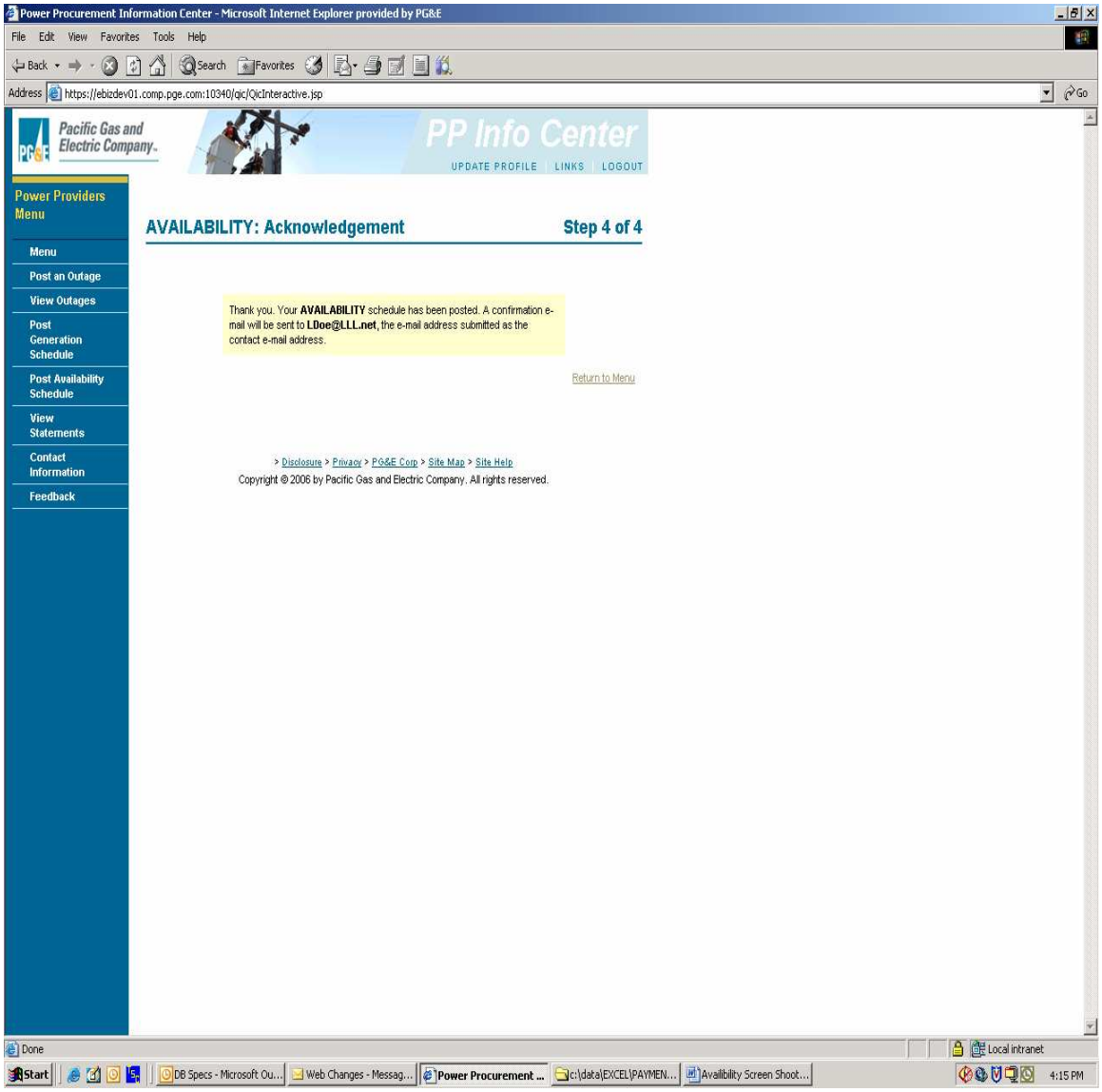
Hour	kWh	Hour	kWh
1	100000	13	100000
2	100000	14	100000
3	100000	15	100000
4	100000	16	100000
5	100000	17	100000
6	100000	18	100000
7	100000	19	100000
8	100000	20	100000
9	100000	21	100000
10	100000	22	100000
11	100000	23	100000
12	100000	24	100000

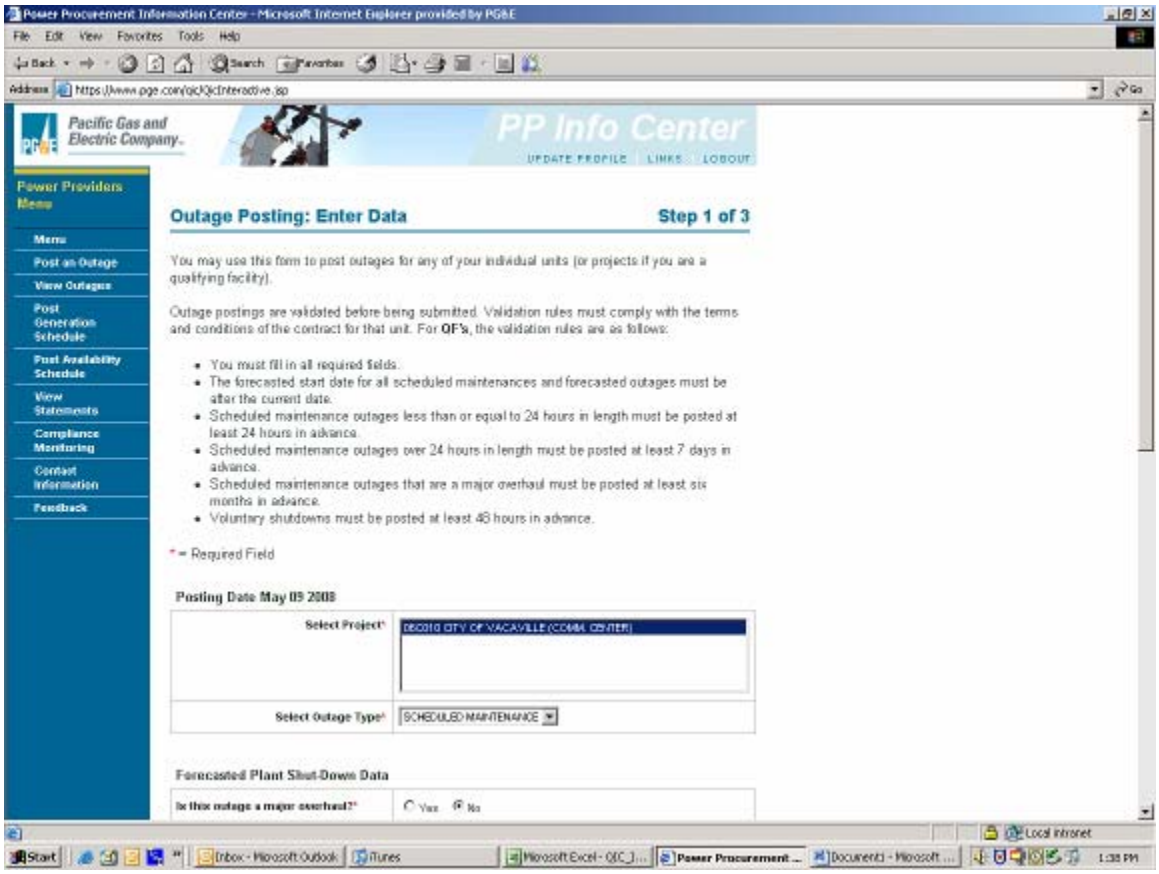
THURSDAY 02/02/2006

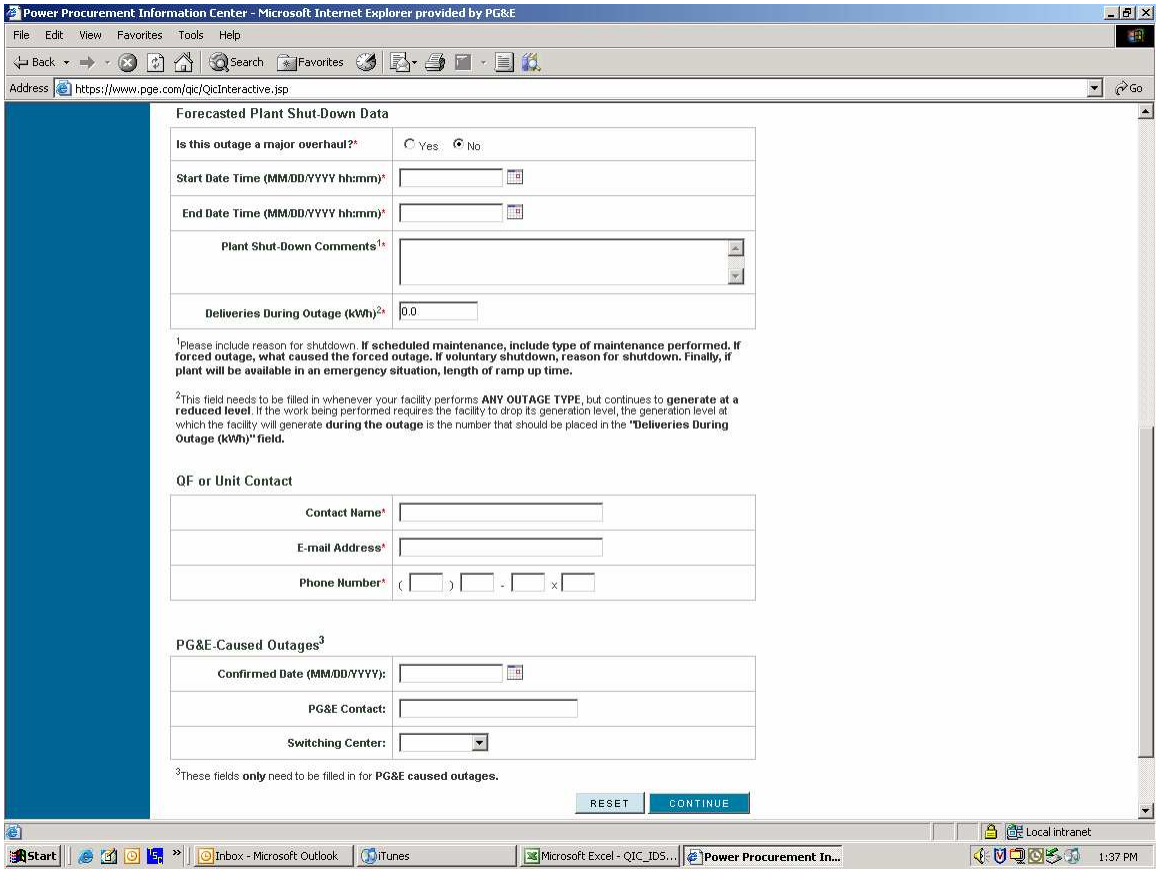
Hour	kWh	Hour	kWh
1	150000	13	150000
2	150000	14	150000
3	150000	15	150000
4	150000	16	150000
5	150000	17	150000
6	150000	18	150000
7	150000	19	150000
8	150000	20	150000
9	150000	21	150000
10	150000	22	150000
11	150000	23	150000
12	150000	24	150000

FRIDAY 02/03/2006

Hour	kWh	Hour	kWh
1	200000	13	200000
2	200000	14	200000
3	200000	15	200000
4	200000	16	200000
5	200000	17	200000
6	200000	18	200000
7	200000	19	200000
8	200000	20	200000
9	200000	21	200000
10	200000	22	200000
11	200000	23	200000
12	200000	24	200000


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://ebizdev01.comp.pge.com:10340/qic/QicInteractive.jsp
Go
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE | LINKS | LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Contact Information
Feedback
AVAILABILITY: Acknowledgement
Step 4 of 4
Thank you. Your AVAILABILITY schedule has been posted. A confirmation e-mail will be sent to LDoe@LLL.net, the e-mail address submitted as the contact e-mail address.
Return to Menu
> Disclosure > Privacy > PG&E Corp > Site Map > Site Help
Copyright © 2006 by Pacific Gas and Electric Company. All rights reserved.
Done
Local intranet
Start
DB Specs - Microsoft Ou...
Web Changes - Messag...
Power Procurement ...
c:\data\EXCEL\PAYMEN...
Availability Screen Shoot...
4:15 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Address https://www.pge.com/qic/QicInteractive.jsp
Pacific Gas and Electric Company
PP Info Center
UPDATE PROFILE | LINKS | LOGOUT
Power Providers Menu
Menu
Post an Outage
View Outages
Post Generation Schedule
Post Availability Schedule
View Statements
Compliance Monitoring
Contact Information
Feedback
Outage Posting: Enter Data
Step 1 of 3
You may use this form to post outages for any of your individual units (or projects if you are a qualifying facility).
Outage postings are validated before being submitted. Validation rules must comply with the terms and conditions of the contract for that unit. For QF's, the validation rules are as follows:
You must fill in all required fields.
The forecasted start date for all scheduled maintenances and forecasted outages must be after the current date.
Scheduled maintenance outages less than or equal to 24 hours in length must be posted at least 24 hours in advance.
Scheduled maintenance outages over 24 hours in length must be posted at least 7 days in advance.
Scheduled maintenance outages that are a major overhaul must be posted at least six months in advance.
Voluntary shutdowns must be posted at least 48 hours in advance.
* = Required Field
Posting Date May 09 2008
Select Project*
Select Outage Type*
SCHEDULED MAINTENANCE
Forecasted Plant Shut-Down Data
Is this outage a major overhaul?*
Yes
No
Local intranet
Start
Inbox - Microsoft Outlook
iTunes
Microsoft Excel - QIC_I...
Power Procurement ...
Document1 - Microsoft ...
1:38 PM


Power Procurement Information Center - Microsoft Internet Explorer provided by PG&E
File Edit View Favorites Tools Help
Back Search Favorites
Address https://www.pge.com/qic/QicInteractive.jsp
Go
Forecasted Plant Shut-Down Data
Is this outage a major overhaul?*
Yes
No
Start Date Time (MM/DD/YYYY hh:mm)*
End Date Time (MM/DD/YYYY hh:mm)*
Plant Shut-Down Comments[1]*
Deliveries During Outage (kWh)[2]*
0.0
[1]Please include reason for shutdown. If scheduled maintenance, include type of maintenance performed. If forced outage, what caused the forced outage. If voluntary shutdown, reason for shutdown. Finally, if plant will be available in an emergency situation, length of ramp up time.
[2]This field needs to be filled in whenever your facility performs ANY OUTAGE TYPE, but continues to generate at a reduced level. If the work being performed requires the facility to drop its generation level, the generation level at which the facility will generate during the outage is the number that should be placed in the "Deliveries During Outage (kWh)" field.
QF or Unit Contact
Contact Name*
E-mail Address*
Phone Number*
PG&E-Caused Outages[3]
Confirmed Date (MM/DD/YYYY):
PG&E Contact:
Switching Center:
[3]These fields only need to be filled in for PG&E caused outages.
RESET
CONTINUE
Local intranet
Start
Inbox - Microsoft Outlook
iTunes
Microsoft Excel - QIC_IDS...
Power Procurement In...
1:37 PM

APPENDIX IV - FIXED PAYMENT ALLOCATIONS BY MONTH

January	8%
February	5%
March	4%
April	4%
May	4%
June	8%
July	14%
August	15%
September	11%
October	9%
November	9%
December	9%

APPENDIX V - Form of Letter Of Credit

ISSUING BANK LETTERHEAD
ADDRESS

Date: _____
Irrevocable Standby Letter of Credit Number:_____
Beneficiary: [Pacific Gas and Electric Company
77 Beale Street, Mail Code B28L
San Francisco, CA 94105
Attn: Credit Risk Management]
[Advising Bank, if applicable]
[Confirming Bank, if applicable]
Amount: USD [Amount]
US Dollars [Spell out amount in words]

Applicant: [Seller]_____
Address: _____
_____

We hereby issue our Irrevocable Standby Letter of Credit at this office in your favor for the account of Applicant by sight payment against the following documents:

1. Your sight draft drawn on us marked "drawn under [Issuing Bank] [Letter of Credit Number] dated [Date]";

AND

2. Beneficiary's signed statement certifying:

> "Applicant is in default under that certain Agreement dated ___ by and between Applicant and Beneficiary and the amount drawn hereunder is not greater than the amount due and owing to Beneficiary pursuant to that Agreement."
>
> OR
>
> "Under that certain Agreement dated _____ by and between Applicant and Beneficiary, Beneficiary is making a draw hereunder and, as of the date hereof, the amount drawn is not greater than the amount due and owing to Beneficiary pursuant to that Agreement."
>
> OR
>
> "This Letter of Credit will expire in thirty (30) calendar days or less and Applicant has not provided alternate security acceptable to the Beneficiary."

This Letter of Credit expires at our counters located at [INSERT ADDRESS] on [INSERT DATE], ("Expiration Date") but the Expiration Date shall be automatically extended without amendment for a period of one year and on each successive Expiration Date, unless at least sixty (60) days before the then current Expiration Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

Special Conditions:

1. Partial drawing(s) are permitted.

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.

We hereby engage with you that draft(s) drawn under and in compliance with the terms of this Letter of Credit will be duly honored if drawn and presented for payment at any time before the close of business [INSERT TIME] at our counters located at [INSERT ADDRESS] on or before the Expiration Date or in the event of Force Majeure, as defined under Article 36 of the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600 ("UCP"), interrupting our business, within fifteen (15) days after resumption of our business, whichever is later.

Except as otherwise stated herein, this credit is subject to the UCP and, with respect to matters not so covered, this Letter of Credit is subject to and governed by the Laws of the State of New York.

If you have any questions regarding this Letter of Credit, please call [Telephone No.].

By: _____

Authorized Signature

Name: _____

Title: _____

Appendix VI - Determination Of Mark To Market Value

Formula Definitions:

t0 – Effective Date

t - ongoing Transaction date after Initial Delivery Date

Ppeak(i, t) - price of monthly forward NP-15 defined peak power for month *i* as observed at the moment of time *t* measured in $/MWh

Poff-peak(i, t) - price of monthly forward NP-15 defined off-peak power for month *i* as observed at the moment of time *t* measured in $/MWh

Pgas(i, t) - price of monthly forward gas for month *i* as observed at the moment of time *i* measured in $/MMBtu at the appropriate Gas Index..

VOMR, - Variable O&M Rate (measured in $/MWh) for year of current month set forth in Section 4.3(a) of the Agreement for month *i* and adjusted by the forecasted index if applicable and shall include, if applicable, the Fired Hour Charge (FCH) adjusted to a $/MWh basis.

HR – the Guaranteed Heat Rate Point at 100% Base Load at ISO Conditions.

HourlyVolume –Monthly Contract Capacity for the specific month

NumberofPeakHours(i) - number of WECC defined peak hours in month *i*

NumberofOff-PeakHours(i) - number of WECC defined off-peak hours in month *i*

Calculation of "Mark-to-Market Value":

Mark-to-Market Value = Sum Over next sixty (60) or thirtysix (36) Months[Gains or Losses(i)]

Gains or Losses(i) = MIV(i,t) – MIV(i,t0)

Initial MIV calculation formula:

MIV(i,t0) = [NumberOfPeakHours(i) * max[(Ppeak(i,t0) - HR*Pgas(i,t0) - VOMR,), 0] * HourlyVolume] + [NumberOfOff-PeakHours(i) * max[(Poff-peak(i,t0) - HR * Pgas(i,t0) - VOMR,), 0] *HourlyVolume]

Initial MIV will be calculated once at *t0* for the expected delivery life of the contract.

Current MIV calculation formula:

MIV(i,t) = [NumberOfPeakHours(i) * max[(Ppeak(i,t) - HR*Pgas(i,t) - VOMR(i)), 0] * HourlyVolume] + [NumberOfOff-PeakHours(i) * max[(Poff-peak(i,t) - HR * Pgas(i,t) - VOMR(i)), 0] *HourlyVolume]

APPENDIX VII - FORM OF MONTHLY CONSTRUCTION PROGRESS REPORT

Monthly Progress Report

of

_____

("Seller")

provided to

Pacific Gas & Electric Company

("Buyer")

[Date]

1.0 Instructions.

Any capitalized terms used in this report which are not defined herein shall have the meaning ascribed to them in the Power Purchase and Sale Agreement by and between _____, ("Seller") and Pacific Gas & Electric Company dated _____, 2006 (the "Agreement").

Seller shall review the status of each Critical Milestone and other significant milestone as discussed herein ("Milestone") of the construction schedule (the "Schedule") for the Units 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, 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 Units 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 Units 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 Construction 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 Construction Progress Report to [_____], together with all attachments and exhibits, with three (3) copies of this report delivered to [_____] and [_____].

2.0 Executive Summary.

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

Please provide a brief summary of the major activities to be performed for each of the following aspects of the Project during the current calendar month:

2.1.1 Design

2.1.2 Property Acquisition

2.1.3 Engineering

2.1.3 Major Equipment procurement

2.1.4 Construction and Interconnection

2.1.5 Milestone report

2.1.6 Governmental Approvals (See Section 3.0 below)

2.1.7 Startup Testing and Commissioning

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

Please provide a brief summary of the major activities which were scheduled to be performed in the previous calendar 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

2.2.3 Major Equipment procurement

2.2.4 Construction and Interconnection

2.2.5 Milestone report

2.2.6 Governmental Approvals

2.2.7 Startup Testing and Commissioning

3.0 Governmental Approvals.

The following describes each of the Material Governmental Approvals required for the construction of the Units 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 "EPC 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 EPC Contractor (including its subcontractors)) and the status of each.

DESCRIPTION	STATUS

3.3. Governmental Approval activities that occurred during the previous calendar month.

Please list all Governmental Approval activities that occurred during the previous calendar month.

3.4 Governmental Approval activities occurring during the current calendar month.

Please list all Governmental Approval activities that are expected to occur during the current calendar month.

3.5 Governmental Approval Notices received from EPC Contractor.

Please attach to this Monthly Progress Report copies of any Notices related to Governmental Approval activities received from EPC Contractor (including its subcontractors) during the previous calendar 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 EPC Contractor (including its subcontractors).

ACTIVITY	EPC CONTRACTOR/ SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

4.2 Design activities to be performed during the current calendar month.

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

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

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

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

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

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

6.0 Engineering Activities.

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

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

ACTIVITY	EPC CONTRACTOR/SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

6.2 Engineering activities to be performed during the current calendar month.

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

6.3. Engineering activities completed during the previous calendar month.

Please explain in detail the engineering activities that were completed during the previous calendar 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 EPC Contractor (including its subcontractors).

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

EQUIPMENT DESCRIPTION	MANU-FACTURER	CONTRACTED DELIVERY DATE	ACTUAL DELIVERY DATE	PROJECTED INSTALLATION DATE	ACTUAL INSTALLMENT DATE

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

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

7.3 Major Equipment procurement activities completed during the previous calendar month.

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

8.0 Construction and Interconnection Activities.

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

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

ACTIVITY	EPC CONTRACTOR/ SUBCONTRACTOR	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE

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

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

8.3 Construction and interconnection activities completed during the previous calendar month.

Please explain in detail the construction and interconnection activities were completed during the previous calendar month.

8.4 EPC Contractor Monthly Construction Progress Report.

Please attach a copy of the Monthly Construction Progress Reports received during the previous calendar month from the EPC Contractor pursuant to the construction contract between Seller and EPC Contractor, certified by the EPC 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 calendar 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:

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 11.2, 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 11.3, 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 11.2, 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 calendar month:

10.2 Any work stoppage from the previous calendar month:

10.3 Work stoppage impact on construction of the Units:

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

By:_____

Name:_____

Title:_____

Date:_____

Appendix VIII - Form Of Deposit Account Agreement

DEPOSIT ACCOUNT AGREEMENT

This Deposit Account Agreement (Agreement) is made by and among: (a) _____ (Posting Party); (b) _____ (Bank); and (c)_____ (Secured Party), each of which is a Party and all of which are Parties.

1. Posting Party solely owns the following account at Bank (the Deposit Account): Account number _____. Additional amounts may be deposited into this account from time to time.
2. Pursuant and subject to the terms of the Power Purchase & Sale Agreement, dated _____, 200_ (Power Agreement), Posting Party and Secured Party intend that Secured Party have a first priority perfected security interest in and sole and exclusive control over the Deposit Account and all property, including interest and dividends credited thereto and all proceeds thereof.
3. Posting Party, Secured Party and Bank agree that, during the term of this Agreement, Bank shall comply with the instructions originated by Secured Party directing disposition of the funds in the Deposit Account and that Bank shall comply with such instructions without any further consent by Posting Party. Such instructions shall be in the form of a written document signed by an authorized representative of Secured Party and shall be effective upon receipt by Bank. Delivery may be by facsimile. Secured Party agrees to provide contemporaneously a copy of any such instruction to Posting Party; however, Bank's obligation to comply with Secured Party's instructions is not conditioned upon Posting Party's receipt of a copy. Bank shall comply with Secured Party's instructions within forty-eight (48) hours of receipt of the same. Though Bank shall have no

obligation to verify the existence of a default in honoring Secured Party's instructions, Secured Party agrees that (a) it shall not draw on the funds in the Deposit Account except on the occasion of a default by Posting Party under the Power Agreement (b) Secured Party shall instruct Bank to release funds from the Deposit Account to Posting Party periodically if the amount of collateral required for transactions between the Parties under the Power Agreement is less than the then-current amount in the Deposit Account.

4. Posting Party shall pay all fees, charges, and costs to establish, maintain, and close the Deposit Account. Posting Party shall also pay any taxes on interest income generated by the Deposit Account and shall receive all related tax information and forms from Bank.
5. Bank shall pay interest at Bank's usual rate for such accounts on the balance in the Deposit Account by crediting such interest to the account. Bank may invest the amount in the Deposit Account into an institutional money market fund or into a demand deposit account at Bank paying Bank's current rate of interest thereon.
6. Posting Party agrees to indemnify Bank against and hold Bank harmless from all costs, liability, damages, claims, suits and expenses (including reasonable attorney's fees and costs) arising from or related to Bank's release of funds from the Deposit Account to Secured Party, except to the extent such cost, liability, damage, claim, suit, or expense results from Bank's negligence or willful misconduct. Secured Party agrees to indemnify Posting Party against and hold Posting Party harmless from all costs and expenses (including reasonable attorney's fees and costs) arising from or related to Secured Party's erroneous, negligent or faulty instructions to Bank resulting in an improper release of funds by Bank.
7. In performing its duties hereunder, Bank shall not be liable to any Party for consequential

damages, including lost profits, losses, or expenses except to the extent any of the same result from Bank's negligence or willful misconduct. Bank shall not incur any such liability for (a) any act or failure to act made or omitted in good faith, or (b) any action taken or omitted in reliance on any instrument or written statement that Bank believes in good faith to be genuine. Bank shall not be responsible for verifying the authority of any person acting or purporting to act on behalf of a Party.

8. All notices and instructions entitled or required to be given under this Agreement shall be in writing and shall be sent via a commercial courier service guaranteeing next-day delivery and requiring a receipt of delivery (such as Federal Express) or by facsimile to the following addresses or fax numbers:

If to Bank:
Contact Person:
Address:
E-Mail Address:
Phone:
Fax:

If to Posting Party:
Contact Person:
Address:
E-Mail Address:
Phone:
Fax:

If to Secured Party:
Contact Person:
Address:
E-Mail Address:
Phone:
Fax:

9. Bank shall act only as the holder of the Deposit Account and shall have no fiduciary duty to Secured Party. During the term of this Agreement, Bank shall be entitled to rely on

any written instruction signed by an authorized representative of Secured Party that it reasonably believes to be genuine and shall not be required to investigate the legitimacy of such written instruction or the authority of the person executing the same.

10. Bank may resign as the holder of the Deposit Account at any time upon giving both the Secured Party and Posting Party at least thirty (30) days' written notice; provided that, such resignation shall not be effective until a successor Bank has accepted in writing its appointment as the holder of the Deposit Account and has signed this Agreement and agreed to succeed to the duties and obligations of Bank hereunder. Upon receipt by the Parties of the successor bank's written acceptance, Bank shall be discharged from any further duties and liability under this Agreement.
11. Any entity into which Bank may be merged or with which it may be consolidated, or any entity to which Bank may transfer a substantial portion of its business of maintaining accounts such as the Deposit Account, shall be the successor to Bank hereunder without the execution or filing of any paper or any further act by any Party.
12. The Secured Party and Bank shall not disclose the balance in the Deposit Account or any associated financial information to any non-Party other than to a governmental agency or authority with jurisdiction over the disclosing Party. The disclosing Party shall, if practicable, immediately notify the other Parties of any request or demand to disclose before such disclosure is made.
13. Bank represents and warrants to Secured Party that the Deposit Account and all agreements between Bank and Posting Party related thereto are governed by the law of the State of New York. Bank covenants that it will not, without Secured Party's prior written consent, amend those account agreements to change their governing law or to

provide that secured transactions relating to the Deposit Account are governed by the law of another jurisdiction [see, Section 9304 of Revised UCC].

14. This Agreement is governed by the laws of the State of New York.
15. The initial term of this Agreement is through June 30, 2008 . This Agreement may be terminated by any Party on or after that date by written notice to the other Parties, such termination to be effective the earlier of (a) thirty (30) days following delivery date of such notice. This Agreement sets forth the entire agreement among the Parties regarding the subject matter hereof and, as such, supersedes any prior and contemporaneous oral or written agreements of the Parties with respect to the subject matter hereof. To the extent this Agreement conflicts with the provisions of any other agreement between Bank and Posting Party, the provisions of this Agreement shall control.
16. No amendment of this Agreement will be binding unless it is in writing and signed by Posting Party, Bank, and Secured Party, and no waiver of any right under this Agreement will be binding unless it is in writing and signed by the waiving Party.
17. The provisions of this Agreement shall be binding on and shall inure to the benefit of Bank, Posting Party, Secured Party and their respective successors and permitted assigns.
18. Nothing in this Agreement shall be deemed to create any agency, fiduciary, joint venture, or partnership relationship between or among Bank, Posting Party, and Secured Party.
19. This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute a single instrument.
20. The effectiveness of this Agreement is conditioned on the execution of it by each Party and the subsequent delivery of the signed document to the other Parties. Execution may be in counterparts, and a facsimile copy shall have the same legal effect as an original.

This Agreement shall be effective as of the date of the last signature.

This Agreement shall be executed by an authorized representative of each Party.

BANK

By: _____

Name: _____

Title: _____

Date: _____

POSTING PARTY

By: _____

Name: _____

Title: _____

Date: _____

SECURED PARTY

By: _____

Name: _____

Title: _____

Date: _____

Appendix IX

[Reserved]

Appendix X - Form Of Lender Consent
CONSENT TO ASSIGNMENT

Appendix XI - Material Government Approvals

1. [NOTE TO SELLER: List all Material Governmental Approvals necessary for offered project]

Appendix XII - Example of Section 3.3(f)

Illustrative Example of Section 3.3(f) - Actual Gas >1% higher than Expected Gas

MWs	Guaranteed Heat Rate	Actual Heat Rate
360.0	7.799	7.955
360.5	7.797	7.953
361.0	7.794	7.950
361.5	7.791	7.947
362.0	7.788	7.944
362.5	7.785	7.941
363.0	7.782	7.938
363.5	7.780	7.935
364.0	7.777	7.932
364.5	7.774	7.929
365.0	7.771	7.927
365.5	7.768	7.924
366.0	7.766	7.921
366.5	7.763	7.918
367.0	7.760	7.915
367.5	7.757	7.912
368.0	7.754	7.910
368.5	7.752	7.907
369.0	7.749	7.904
369.5	7.746	7.901
370.0	7.743	7.898
370.5	7.741	7.896
371.0	7.738	7.893
371.5	7.735	7.890
372.0	7.733	7.887
372.5	7.730	7.884
373.0	7.727	7.882
373.5	7.724	7.879
374.0	7.722	7.876
374.5	7.719	7.873
375.0	7.716	7.871
375.5	7.714	7.868
376.0	7.711	7.865
376.5	7.708	7.863
377.0	7.706	7.860
377.5	7.703	7.857
378.0	7.700	7.854
378.5	7.698	7.852
379.0	7.695	7.849
379.5	7.693	7.846
380.0	7.690	7.844
380.5	7.687	7.841
381.0	7.685	7.838
381.5	7.682	7.836
382.0	7.680	7.833
382.5	7.677	7.831
383.0	7.674	7.828
383.5	7.672	7.825
384.0	7.669	7.823
384.5	7.667	7.820
385.0	7.664	7.817
385.5	7.662	7.815
386.0	7.659	7.812
386.5	7.657	7.810
387.0	7.654	7.807
387.5	7.652	7.805
388.0	7.649	7.802
388.5	7.646	7.799
389.0	7.644	7.797
389.5	7.641	7.794
390.0	7.639	7.792
390.5	7.637	7.789
391.0	7.634	7.787
391.5	7.632	7.784
392.0	7.629	7.782
392.5	7.627	7.779
393.0	7.624	7.777
393.5	7.622	7.774
394.0	7.619	7.772
394.5	7.617	7.769
395.0	7.614	7.767
395.5	7.612	7.764
396.0	7.610	7.762
396.5	7.607	7.759
397.0	7.605	7.757
397.5	7.602	7.754
398.0	7.600	7.752
398.5	7.598	7.750
399.0	7.595	7.747
399.5	7.593	7.745
400.0	7.590	7.742
400.5	7.588	7.740
401.0	7.586	7.737

Schedule	Guaranteed Heat Rate	Expected Fuel Burn	Actual Production	Actual Heat Rate	Actual Fuel Burn
1	380.00	7.690	2,922.19	380.50	7.841	2,983.54
2	380.00	7.690	2,922.19	380.50	7.841	2,983.54
3	380.00	7.690	2,922.19	380.50	7.841	2,983.54
4	380.00	7.690	2,922.19	380.50	7.841	2,983.54
5	390.00	7.639	2,979.21	390.50	7.789	3,041.70
6	390.00	7.639	2,979.21	390.50	7.789	3,041.70
7	400.00	7.590	3,036.17	400.50	7.740	3,099.80
8	400.00	7.590	3,036.17	400.50	7.740	3,099.80
9	400.00	7.590	3,036.17	400.50	7.740	3,099.80
10	400.00	7.590	3,036.17	400.50	7.740	3,099.80
11	400.00	7.590	3,036.17	400.50	7.740	3,099.80
12	400.00	7.590	3,036.17	400.50	7.740	3,099.80
13	400.00	7.590	3,036.17	400.00	7.742	3,096.89
14	400.00	7.590	3,036.17	400.00	7.742	3,096.89
15	400.00	7.590	3,036.17	400.00	7.742	3,096.89
16	400.00	7.590	3,036.17	400.00	7.742	3,096.89
17	400.00	7.590	3,036.17	400.00	7.742	3,096.89
18	400.00	7.590	3,036.17	400.00	7.742	3,096.89
19	400.00	7.590	3,036.17	400.00	7.742	3,096.89
20	400.00	7.590	3,036.17	400.00	7.742	3,096.89
21	400.00	7.590	3,036.17	401.00	7.737	3,102.70
22	400.00	7.590	3,036.17	401.00	7.737	3,102.70
23	400.00	7.590	3,036.17	401.00	7.737	3,102.70
24	380.00	7.690	2,922.19	381.00	7.838	2,986.45

Expected Daily Gas Burn >	72,184.23	
Actual Daily Gas Burn >	73,686.04	
	1,501.80	Difference in Fuel Burn
	2.1%	Greater than 1%
	$6.04	Price of Gas *
Seller Refund to Buyer >	$9,070.88	Difference x Price

* Price of Gas = Gas Index Price High + Transportation

Illustrative Example of Section 3.3(f) - Actual Gas >1% lower than Expected Gas

MWs	Guaranteed Heat Rate	Actual Heat Rate
360.0	7.799	7.565
360.5	7.797	7.563
361.0	7.794	7.560
361.5	7.791	7.557
362.0	7.788	7.554
362.5	7.785	7.552
363.0	7.782	7.549
363.5	7.780	7.546
364.0	7.777	7.543
364.5	7.774	7.541
365.0	7.771	7.538
365.5	7.768	7.535
366.0	7.766	7.533
366.5	7.763	7.530
367.0	7.760	7.527
367.5	7.757	7.524
368.0	7.754	7.522
368.5	7.752	7.519
369.0	7.749	7.516
369.5	7.746	7.514
370.0	7.743	7.511
370.5	7.741	7.508
371.0	7.738	7.506
371.5	7.735	7.503
372.0	7.733	7.501
372.5	7.730	7.498
373.0	7.727	7.495
373.5	7.724	7.493
374.0	7.722	7.490
374.5	7.719	7.487
375.0	7.716	7.485
375.5	7.714	7.482
376.0	7.711	7.480
376.5	7.708	7.477
377.0	7.706	7.475
377.5	7.703	7.472
378.0	7.700	7.469
378.5	7.698	7.467
379.0	7.695	7.464
379.5	7.693	7.462
380.0	7.690	7.459
380.5	7.687	7.457
381.0	7.685	7.454
381.5	7.682	7.452
382.0	7.680	7.449
382.5	7.677	7.447
383.0	7.674	7.444
383.5	7.672	7.442
384.0	7.669	7.439
384.5	7.667	7.437
385.0	7.664	7.434
385.5	7.662	7.432
386.0	7.659	7.429
386.5	7.657	7.427
387.0	7.654	7.424
387.5	7.652	7.422
388.0	7.649	7.420
388.5	7.646	7.417
389.0	7.644	7.415
389.5	7.641	7.412
390.0	7.639	7.410
390.5	7.637	7.407
391.0	7.634	7.405
391.5	7.632	7.403
392.0	7.629	7.400
392.5	7.627	7.398
393.0	7.624	7.395
393.5	7.622	7.393
394.0	7.619	7.391
394.5	7.617	7.388
395.0	7.614	7.386
395.5	7.612	7.384
396.0	7.610	7.381
396.5	7.607	7.379
397.0	7.605	7.377
397.5	7.602	7.374
398.0	7.600	7.372
398.5	7.598	7.370
399.0	7.595	7.367
399.5	7.593	7.365
400.0	7.590	7.363
400.5	7.588	7.360
401.0	7.586	7.358

	Schedule	Guaranteed Heat Rate	Expected Fuel Burn	Actual Production	Actual Heat Rate	Actual Fuel Burn
1	380.00	7.690	2,922.19	379.50	7.462	2,831.75
2	380.00	7.690	2,922.19	380.00	7.459	2,834.52
3	380.00	7.690	2,922.19	380.00	7.459	2,834.52
4	380.00	7.690	2,922.19	379.50	7.462	2,831.75
5	390.00	7.639	2,979.21	389.50	7.412	2,887.07
6	390.00	7.639	2,979.21	389.50	7.412	2,887.07
7	400.00	7.590	3,036.17	401.00	7.358	2,950.61
8	400.00	7.590	3,036.17	400.50	7.360	2,947.85
9	400.00	7.590	3,036.17	400.50	7.360	2,947.85
10	400.00	7.590	3,036.17	400.50	7.360	2,947.85
11	400.00	7.590	3,036.17	400.50	7.360	2,947.85
12	400.00	7.590	3,036.17	400.50	7.360	2,947.85
13	400.00	7.590	3,036.17	400.50	7.360	2,947.85
14	400.00	7.590	3,036.17	400.50	7.360	2,947.85
15	400.00	7.590	3,036.17	400.00	7.363	2,945.08
16	400.00	7.590	3,036.17	400.00	7.363	2,945.08
17	400.00	7.590	3,036.17	400.00	7.363	2,945.08
18	400.00	7.590	3,036.17	400.00	7.363	2,945.08
19	400.00	7.590	3,036.17	400.00	7.363	2,945.08
20	400.00	7.590	3,036.17	400.00	7.363	2,945.08
21	400.00	7.590	3,036.17	399.00	7.367	2,939.56
22	400.00	7.590	3,036.17	399.00	7.367	2,939.56
23	400.00	7.590	3,036.17	399.00	7.367	2,939.56
24	380.00	7.690	2,922.19	381.00	7.454	2,840.06

Expected Daily Gas Burn >	72,184.23	Actual Daily Gas Burn >	70,021.46

	(2,162.77)	Difference In Fuel Burn
	-3.0%	Greater than 1%
	$6.00	Price of Gas *
Reduction in Fuel Cost	($12,976.64)	Difference x Price
	$11,030.14	Buyer Keeps 85%
Buyer Refund to Seller >	$1,946.50	

* Price of Gas = Gas Index Price: Low

Illustrative Example of Section 3.3(f) - Actual Gas within 1% of Expected Gas

MWs	Guaranteed Heat Rate	Actual Heat Rate
360.0	7.799	7.760
360.5	7.797	7.758
361.0	7.794	7.755
361.5	7.791	7.752
362.0	7.788	7.749
362.5	7.785	7.746
363.0	7.782	7.743
363.5	7.780	7.741
364.0	7.777	7.738
364.5	7.774	7.735
365.0	7.771	7.732
365.5	7.768	7.729
366.0	7.766	7.727
366.5	7.763	7.724
367.0	7.760	7.721
367.5	7.757	7.718
368.0	7.754	7.716
368.5	7.752	7.713
369.0	7.749	7.710
369.5	7.746	7.707
370.0	7.743	7.705
370.5	7.741	7.702
371.0	7.738	7.699
371.5	7.735	7.697
372.0	7.733	7.694
372.5	7.730	7.691
373.0	7.727	7.688
373.5	7.724	7.686
374.0	7.722	7.683
374.5	7.719	7.680
375.0	7.716	7.678
375.5	7.714	7.675
376.0	7.711	7.672
376.5	7.708	7.670
377.0	7.706	7.667
377.5	7.703	7.665
378.0	7.700	7.662
378.5	7.698	7.659
379.0	7.695	7.657
379.5	7.693	7.654
380.0	7.690	7.652
380.5	7.687	7.649
381.0	7.685	7.646
381.5	7.682	7.644
382.0	7.680	7.641
382.5	7.677	7.639
383.0	7.674	7.636
383.5	7.672	7.633
384.0	7.669	7.631
384.5	7.667	7.628
385.0	7.664	7.626
385.5	7.662	7.623
386.0	7.659	7.621
386.5	7.657	7.618
387.0	7.654	7.616
387.5	7.652	7.613
388.0	7.649	7.611
388.5	7.646	7.608
389.0	7.644	7.606
389.5	7.641	7.603
390.0	7.639	7.601
390.5	7.637	7.598
391.0	7.634	7.596
391.5	7.632	7.593
392.0	7.629	7.591
392.5	7.627	7.589
393.0	7.624	7.586
393.5	7.622	7.584
394.0	7.619	7.581
394.5	7.617	7.579
395.0	7.614	7.576
395.5	7.612	7.574
396.0	7.610	7.572
396.5	7.607	7.569
397.0	7.605	7.567
397.5	7.602	7.564
398.0	7.600	7.562
398.5	7.598	7.560
399.0	7.595	7.557
399.5	7.593	7.555
400.0	7.590	7.552
400.5	7.588	7.550
401.0	7.586	7.548

	Schedule	Guaranteed Heat Rate	Expected Fuel Burn
1	380.00	7.690	2,922.19
2	380.00	7.690	2,922.19
3	380.00	7.690	2,922.19
4	380.00	7.690	2,922.19
5	390.00	7.639	2,979.21
6	390.00	7.639	2,979.21
7	400.00	7.590	3,036.17
8	400.00	7.590	3,036.17
9	400.00	7.590	3,036.17
10	400.00	7.590	3,036.17
11	400.00	7.590	3,036.17
12	400.00	7.590	3,036.17
13	400.00	7.590	3,036.17
14	400.00	7.590	3,036.17
15	400.00	7.590	3,036.17
16	400.00	7.590	3,036.17
17	400.00	7.590	3,036.17
18	400.00	7.590	3,036.17
19	400.00	7.590	3,036.17
20	400.00	7.590	3,036.17
21	400.00	7.590	3,036.17
22	400.00	7.590	3,036.17
23	400.00	7.590	3,036.17
24	380.00	7.690	2,922.19

	Actual Production	Actual Heat Rate	Actual Fuel Burn
	379.50	7.654	2,904.74
	380.00	7.652	2,907.58
	380.00	7.652	2,907.58
	379.50	7.654	2,904.74
	389.50	7.603	2,961.48
	389.50	7.603	2,961.48
	401.00	7.548	3,026.65
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.50	7.550	3,023.82
	400.00	7.552	3,020.99
	400.00	7.552	3,020.99
	400.00	7.552	3,020.99
	400.00	7.552	3,020.99
	400.00	7.552	3,020.99
	400.00	7.552	3,020.99
	399.00	7.557	3,015.32
	399.00	7.557	3,015.32
	399.00	7.557	3,015.32
	381.00	7.646	2,913.25

Expected Daily Gas Burn > 72,184.23

Actual Daily Gas Burn > 71,826.14

(358.10) Difference In Fuel Burn
-0.5% Within 1% band

No Balancing True-up

Appendix XIII - Section 3.5(c)

Illustrative Example of Section 3.5(c)

	Case 1	Case 2	Case 3	Case 4	Unit of Measure
Scheduled Energy	500	500	500	500	MW
Delivered Energy	499	501	475	525	MW
Imbalance Energy Price	$ 50.00	$ 50.00	$ 50.00	$ 50.00	$/MWh
Deviation - Amount of Over(Under)-delivery	(1)	1	(25)	25	MW
CAISO payment(charge) to Buyer for energy	$ (50.00)	$ 50.00	$ (1,250.00)	$ 1,250.00	$
Deviation within tolerance band - no penalties	(1)	1	(15)	(15)	MW
Deviation outside of tolerance band - with penalties	0	0	(10)	(10)	MW
CAISO penalty charged to Buyer	$0	$0	$ (500.00)	$ (500.00)	$
Seller payment to Buyer (Buyer payment to Seller)	$ 50.00	$ (50.00)	$ 1,750.00	$ (750.00)	$
Net Impact to Buyer	$0	$0	$0	$0	$

Calculations to be done for each CAISO settlement interval
Tolerance band and penalties will be pursuant to CAISO tariff

Appendix XIV - Example of Section 3.13(d)(ii)

Illustrative Example of Section 3.13(d)(ii)

Guaranteed @ ISO	600.00	Tested @ ISO	630.00	624.00	618.00	612.00	606.00	600.00	594.00	588.00	582.00
Guaranteed @ Peak July	550.00	Tested @ Peak July	573.00	567.00	562.00	556.00	550.00	544.00	538.00	533.00	527.00

	MCC	Adjusted MCC following initial and/or seasonal capacity tests								
January	600.00	612.00	612.00	612.00	612.00	606.00	600.00	600.00	600.00	582.00
February	594.00	605.88	605.88	605.88	605.88	599.94	594.00	594.00	594.00	576.18
March	588.00	599.76	599.76	599.76	599.76	593.88	588.00	588.00	588.00	570.36
April	588.00	599.76	599.76	599.76	599.76	593.88	588.00	588.00	588.00	570.36
May	582.00	593.64	593.64	593.64	593.64	587.82	582.00	582.00	582.00	564.54
June	576.00	587.52	587.52	587.52	582.28	576.00	576.00	563.43	558.20	551.91
July	570.00	581.40	581.40	581.40	576.22	570.00	570.00	557.56	552.38	546.16
August	570.00	581.40	581.40	581.40	576.22	570.00	570.00	557.56	552.38	546.16
September	576.00	587.52	587.52	587.52	582.28	576.00	576.00	563.43	558.20	551.91
October	582.00	593.64	593.64	593.64	593.64	587.82	582.00	582.00	582.00	564.54
November	594.00	605.88	605.88	605.88	605.88	599.94	594.00	594.00	594.00	576.18
December	600.00	612.00	612.00	612.00	612.00	606.00	600.00	600.00	600.00	582.00

If ISO test is less than 98% of Guarantee, then non-summer MCC is adjusted downward by the % decrease from Guaranteed @ ISO to Tested @ ISO
If Peak July test is less than 98% of Guarantee, then summer MCC is adjusted downward by the % decrease from Guaranteed @ Peak July to Tested @ Peak July

If ISO test is between 98% and 100% of Guarantee, there is no adjustment to non-summer MCC
If Peak July test is between 98% and 100% of Guarantee, there is no adjustment to summer MCC

If ISO test is more than 100% of Guarantee, then non-summer MCC is adjusted upward by the % increase from Guaranteed @ ISO to Tested @ ISO, but capped at 2%
If Peak July test is more than 100% of Guarantee, then summer MCC is adjusted upward by the % increase from Guaranteed @ Peak July to Tested @ Peak July, but capped at 2%

APPENDIX XV - EXAMPLE OF SECTIONS 4.1(B), 4.1(C), AND 4.3(B)

Illustrative Example of Sections 4.1(b), 4.1(c), and 4.3(b)

Example of 4.1(b)

Assume the following:

The month is November		
Monthly Contract Capacity(MCC) of Unit	600	MW
Hours in month (mnthhrs)	720	
Scheduled Maintenance Hours (full outage)	72	
Scheduled Maintenance Hours (50% derate)	36	
mainthrs = 72 + 0.50*36 =	90	
Unavailable Hours	48	

Availability = totpotenrgy/[MCC * (mnthhrs - mainthrs)]

Numerator

totpotenrgy = MCC*(mnthhrs-mainthrs-unavailhrs)

totpotenergy = 600 * (720 - 90 - 48) = 349200 MWh

Denominator

[MCC * (mnthhrs - mainthrs)]

[600 MW * (720 - 90)] = 378000 MWh

Availability = 349200/378000 = 92.38%

Example of 4.1(c)

AA = 100% - [(94% - Availability) * 2] = 96.76%

Example of 4.3(b)

Using AA from above and assuming the following:

The Capacity Payment Rate (CPR) is =	150	$/kw-yr
The Fixex O&M Rate (FOMR) =	100	$/MW-yr
The Monthly Allocation Factor (MAF) is =	9%	
The Monthly Contract Capacity (MCC) is =	600	MW

MCC is as stated in Appendix II, or as adjusted per Section 3.13(d)

The Monthly Fixed Payment (MFP) = (CPR+FOMR) * MAF * MCC * AA

MFP = [(150 * 1000 kWh/MWh) + 100] * 9% * 600 MW * 96.76% = $ 7,842,785

APPENDIX XVI - EXAMPLE OF SECTION 4.2

4.2 (a) Guaranteed Heat Rate
Unit capacity = Design Capacity

Assume Design Capacity = 400 MW ***(Assumed)***
Assume Peak Capacity= 500 MW ***(Assumed)***

Unit Output (MW)	% Load*	Guaranteed Heat Rate Points	
500.0	125%	7125	*HR_P - Assumed heat rate at peak capacity with duct firing as provided in App. II*
400.0	100%	7000	*HR_B - Assumed heat rate at base load capacity as provided in App. II*
300.0	75%	7200	*Assumed partial load output & heat rate as provided in App. II*
200.0	50%	7600	*Assumed partial load output & heat rate as provided in App. II*
175.0	44%	7731	*Assumed partial load output & heat rate as provided in App. II*
250.0	63%	7375	*Assumed partial load output & heat rate as provided in App. II*

* % Load = Ratio of Unit ouput / Unit Capacity

Guaranteed Heat Rate Curves:

4.2(a)(ii)

$$HR_{Unit\ output} = 1600\left(\frac{Unit\ output}{DesignCapacity}\right)^2 - 3600\left(\frac{Unit\ output}{DesignCapacity}\right) + 9000$$

Without Ducting firing (output < 400MW)

4.2(c)(iii)
Refer to Notes below for additional equations

$$HR_D = HR_B + (UnitOutput - DesignCapacity) * \frac{(HR_{peak} - HR_{design})}{(PeakCapacity - DesignCapacity)}$$

With Duct Firing (output > 400MW)

4.2(b)(i) Initial Base Capacity (C_i)

C_i = 405.0 MW ***(Assumed)***

4.2(b)(ii) Tested Base Capacity (C_b)

C_b = 395.0 MW ***(Assumed)***

4.2(b)(iii) Initial Guaranteed Unfired Heat Rates (Hr_i)

Initial Guaranteed Un-Fired Heat Rates, before first Season Capacity Test:

$$HR_{Unitoutput} = 1600\left(\frac{Unit\ output}{C_i}\right)^2 - 3600\left(\frac{Unit\ output}{C_i}\right) + 9000$$

Unit capacity = Initial Base Capacity = C_i

Unit Output (MW)	% Load*	HR_i
405.0	100%	7000
303.8	75%	7200
202.5	50%	7600
177.2	44%	7731
253.1	63%	7375

* Ratio of Unit ouput / Unit Capacity = % Load

Guaranteed Heat Rates, after first Season Capacity Test:

$$HR_{Unitoutput} = 1600\left(\frac{Unit\ output}{C_b}\right)^2 - 3600\left(\frac{Unit\ output}{C_b}\right) + 9000$$

Unit capacity = Tested Base Capacity = C_b

Unit Output (MW)	% Load*	HR_i
395.0	100%	7000
296.3	75%	7200
197.5	50%	7600
172.8	44%	7731
246.9	63%	7375

* Ratio of Unit ouput / Unit Capacity = % Load

4.2(b)(iv) Heat Rate Degradation Factor (HDF)

HDF= 58.0%

4.2(b)(v) Capacity Degradation Factor (CDF), Heat Rate Adjustment (HRA), and Adjusted Guaranteed Un-Fired Heat Rates, HR_c

CDF = $(1-C_b/C_i)$ 2.5%

HRA = CDF x HDF 0.01432

Assume $HRA_{previous}$ = 0.01500 ***(Assumed)***

(I) 1 + HRA = 1.01432
(II) 1 + ($HRA_{previous}$ * 1.0025) = 1.01504

(A) = Lessor of (I) or (II)
(B) = HR_i

HR_c = (A) x (B)

Unit Output (MW)	% Load*	HR_c	
395.0	100%	7100	*Adjusted Heat rate at base load*
296.3	75%	7303	
197.5	50%	7709	
172.8	44%	7842	
246.9	63%	7481	

4.2(c)(i), 4.2(c)(ii), 4.2(c)(iii)

Duct-Fired Guaranteed Heat Rates, after first Season Capacity Test (assumed)

Scheduled Plant Ouput, C_S[1]	*4.2(c)(i)* C_D[2]	*4.2(c)(ii)* HR_D[3]	*4.2(c)(iii)* DFHRC[4]
495	100.0	125.0	7225
470	75.0	93.8	7194
445	50.0	62.5	7163
420	25.0	31.3	7131

Notes

1) C_S = Plant Output Duct Fired ***(Assumed)***

2) $C_D = C_S - C_{CC}$ C_S = Total Plant Output Duct Fired at Peak Load (MW)
$C_{CC} = C_i$ before first seasonal capacity test, or C_b after first seasonal capacity test (MW)

3) $HR_D = C_D \times (HR_P - HR_B)/(C_p - C_b)$ HR_P = Guaranteed Heat Rate Point at the Peak Load output (with duct firing)
HR_B = Guaranteed Heat Rate Point at the Base Load output (without duct firing)
Cp = Peak Load Output in MWs (with duct firing)
Cb = Base Load Output in MWs (without duct firing)

4) $DFHRC = HR_{CC} + HR_D$ HR_{CC} = Adjusted Guaranteed Unfired Heat Rate determined pursuant to Article 4.2(b)(v) corresponding to 100% Base Load Capacity of Cb after the first Seasonal Capacity Test

Appendix XVII - Example of Section 4.3(b)(i)

Illustrative Example of Section 4.3 (b)(i)

CPR= $100.00
FOMR = $50.00

Month	MCC	MAF	AA	MFP
January	612.8	8%	100.00%	$7,353.60
February	607.9	5%	100.00%	$4,559.25
March	607.9	4%	100.00%	$3,647.40
April	600.7	4%	100.00%	$3,604.20
May	595.8	4%	100.00%	$3,574.80
June	589.2	8%	100.00%	$7,070.40
July	585.7	14%	102.00%	$12,545.69
August	585.7	15%	100.00%	$13,178.25
September	589.1	11%	100.00%	$9,720.15
October	594.1	9%	100.00%	$8,020.35
November	605.1	9%	96.76%	$7,904.18
December	612.8	9%	100.00%	$8,272.80
			Annual Total	$89,451.07

The Monthly Fixed Payment (MFP) = (CPR+FOMR) * MAF * MCC * AA

APPENDIX XVIII - EXAMPLE OF SECTIONS 4.5

Assume Seller incurs Failed Starts twice in July and once in September. If the Monthly Contract Capacity for July is 44 MWs and the Monthly Contract Capacity for September is 46 MWs then the Start-Up Factor Discount (SFD) would be:

SFD = (44 MW * $1,000/MW) + (44 MWs * $1,000/MW) + (46 MWs * $1,000 MWs)
SFD = $136,000

APPENDIX XIX - COMPENSATION RATES

Note: Seller may submit up to three sets of Offer Variations (in the charts provided below), each of which binding upon submission. Each set must reflect the both inclusion of Section 9.3 of the Agreement ("Part A") and the exclusion of Section 9.3 of the Agreement ("Part B") to be evaluated by Buyer. Buyer shall select both the Set No. and its corresponding Part A or Part B by providing written notice to Seller, along with the counter execution of the Agreement.

Offer Variation No. 1

Component	**Amount**	**% of Component Indexed to the GDP [between 0 and 100)**	**Period of time indexed (if applicable)**
Capacity Payment Rate	**Part A**: $___ per MW-year (with 9.3) **Part B**: $___ per MW-year (without 9.3)	____ %	the period of time between the Execution Date and the financing date corresponding with Section 11.2(b)(vi)
Fixed O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Variable O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Fired Hour Charge (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Energy Rate (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Start Up Payment	Per Section 4.4	____ %	The full Services Term

Offer Variation No. 2

Component	**Amount**	**% of Component Indexed to the GDP [between 0 and 100)**	**Period of time indexed (if applicable)**
Capacity Payment Rate	**Part A**: $___ per MW-year (with 9.3) **Part B**: $___ per MW-year (without 9.3)	____ %	the period of time between the Execution Date and the financing date corresponding with Section 11.2(b)(vi)
Fixed O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Variable O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Fired Hour Charge (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Energy Rate (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Start Up Payment	Per Section 4.4	____ %	The full Services Term

Offer Variation No. 3

Component	**Amount**	**% of Component Indexed to the GDP [between 0 and 100)**	**Period of time indexed (if applicable)**
Capacity Payment Rate	**Part A**: $___ per MW-year (with 9.3) **Part B**: $___ per MW-	____ %	the period of time between the Execution Date and the financing

	year (without 9.3)		date corresponding with Section 11.2(b)(vi)
Fixed O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Variable O&M Rate	Per Section 4.3.a	____ %	The full Services Term
Fired Hour Charge (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Energy Rate (if applicable)	Per Section 4.3.a	____ %	The full Services Term
Start Up Payment	Per Section 4.4	____ %	The full Services Term