

POWER PURCHASE AGREEMENT

BETWEEN

NORWEST ENERGY 9, LLC

**[a new Firm Qualifying Facility with 10,000 kW Facility Capacity Rating, or Less and
not an Intermittent Resource]**

AND

PACIFICORP

| | |
|---|----|
| Section 1: Definitions | 2 |
| Section 2: Term; Commercial Operation Date | 7 |
| Section 3: Representations and Warranties..... | 7 |
| Section 4: Delivery of Power..... | 11 |
| Section 5: Purchase Prices | 12 |
| Section 6: Operation and Control | 13 |
| Section 7: Fuel/Motive Force..... | 14 |
| Section 8: Metering..... | 15 |
| Section 9: Billings, Computations, and Payments..... | 15 |
| Section 10: Security | 16 |
| Section 11: Defaults and Remedies | 18 |
| Section 12: Indemnification and Liability | 20 |
| Section 13: Insurance (<i>Facilities over 200kW only</i>) | 21 |
| Section 14: Force Majeure | 22 |
| Section 15: Several Obligations..... | 23 |
| Section 16: Choice of Law..... | 23 |
| Section 17: Partial Invalidity | 23 |
| Section 18: Waiver..... | 24 |
| Section 19: Governmental Jurisdictions and Authorizations..... | 24 |
| Section 20: Repeal of PURPA | 24 |
| Section 21: Successors and Assigns | 24 |
| Section 22: Entire Agreement..... | 24 |
| Section 23: Notices | 25 |

- EXHIBIT A: DESCRIPTION OF SELLER'S FACILITY
- EXHIBIT B: SELLER'S INTERCONNECTION FACILITIES
- EXHIBIT C: REQUIRED FACILITY DOCUMENTS
- EXHIBIT D-1: SELLER'S MOTIVE FORCE PLAN
- EXHIBIT D-2: ENGINEER'S CERTIFICATION OF MOTIVE FORCE PLAN
- EXHIBIT E: START-UP TESTING
- EXHIBIT F: SELLER AUTHORIZATION TO RELEASE GENERATION DATA TO PACIFICORP
- EXHIBIT G: SCHEDULE 37 AND PRICING SUMMARY TABLE
- EXHIBIT H: GREEN TAG ATTESTATION AND BILL OF SALE

POWER PURCHASE AGREEMENT

THIS POWER PURCHASE AGREEMENT, entered into this 30th day of June, 2015, is between Norwest Energy 9, LLC, "Seller" and PacifiCorp (d/b/a Pacific Power & Light Company), an Oregon corporation acting in its regulated utility capacity, "PacifiCorp." (Seller and PacifiCorp are referred to individually as a "Party" or collectively as the "Parties").

RECITALS

A. Seller intends to construct, own, operate and maintain the **Pendleton** solar photo voltaic facility for the generation of electric power, including interconnection facilities, located in Pendleton, Umatilla County, Oregon with a Facility Capacity Rating of 6,000 -kilowatts (kW) as further described in **Exhibit A** and **Exhibit B ("Facility")**; and

B. Seller intends to commence delivery of Net Output under this Agreement, for the purpose of Start-up Testing, on November 18, 2016 ("**Scheduled Initial Delivery Date**"); and

C. Seller intends to operate the Facility as a Qualifying Facility, commencing commercial operations on December 31, 2016 ("**Scheduled Commercial Operation Date**"); and

D. Seller estimates that the average annual Net Energy to be delivered by the Facility to PacifiCorp is 12,066,700 kilowatt-hours (kWh), which amount of energy PacifiCorp will include in its resource planning; and

E. Seller shall (choose one) sell all Net Output to PacifiCorp and purchase its full electric requirements from PacifiCorp sell Net Output surplus to its needs at the Facility site to PacifiCorp and purchase partial electric requirements service from PacifiCorp, in accordance with the terms and conditions of this Agreement; and

F. This Agreement is a "New QF Contract" under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 “**As-built Supplement**” shall be a supplement to **Exhibit A** and **Exhibit B**, provided by Seller following completion of construction of the Facility, describing the Facility as actually built.

1.2 “**Average Annual Generation**” shall have the meaning set forth in Section 4.2.

1.3 “**Billing Period**” means, unless otherwise agreed to, the time period between PacifiCorp's consecutive readings of its power purchase billing meter at the Facility in the normal course of PacifiCorp's business. Such periods typically range between twenty-seven (27) and thirty-four (34) days and may not coincide with calendar months.

1.4 “**CAMD**” means the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any state or federal entity given jurisdiction over a program involving transferability of Green Tags.

1.5 “**Commercial Operation Date**” means the date that the Facility is deemed by PacifiCorp to be fully operational and reliable, which shall require, among other things, that all of the following events have occurred:

1.5.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating (a) the Facility Capacity Rating of the Facility at the anticipated Commercial Operation Date; and (b) that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement;

1.5.2 The Facility has completed Start-Up Testing;

1.5.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating that, (a), in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed and the Facility is physically interconnected with PacifiCorp's electric system, or (b) if the Facility is interconnected with another electric utility that will wheel Net Output to PacifiCorp, all required interconnection facilities have been completed and tested and are in place to allow for such wheeling;

1.5.4 PacifiCorp has received a certificate addressed to PacifiCorp from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents and if requested by PacifiCorp, in writing, has provided copies of any or all such requested Required Facility Documents. (Facilities over 200 kW only).

1.5.5 Seller has complied with the security requirements of Section 10.

1.5.6 PacifiCorp has received an executed copy of **Exhibit F**—Seller’s Interconnection Request.

1.6 **“Commission”** means the Oregon Public Utilities Commission.

1.7 **“Contract Price”** means the applicable price for capacity or energy, or both capacity and energy, stated in Sections 5.1, 5.2, and 5.3.

1.8 **“Contract Year”** means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending on 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Termination Date.

1.9 **“Credit Requirements”** means a long-term credit rating (corporate or long-term senior unsecured debt) of (1) “Baa3” or greater by Moody’s, or (2) “BBB-” or greater by S&P, or such other indicia of creditworthiness acceptable to PacifiCorp in its reasonable judgment.

1.10 **“Default Security”**, unless otherwise agreed to by the Parties in writing, means the amount of either a Letter of Credit or cash placed in an escrow account sufficient to replace twelve (12) average months of replacement power costs over the term of this Agreement, and shall be calculated by taking the average, over the term of this Agreement, of the positive difference between (a) the monthly forward power prices at **Mid-Columbia** (as determined by PacifiCorp in good faith using information from a commercially reasonable independent source), multiplied by 110%, minus (b) the average of the Fixed Avoided Cost Prices specified in Schedule 37, and multiplying such difference by (c) the Minimum Annual Delivery; provided, however, the amount of Default Security shall in no event be less than the amount equal to the payments PacifiCorp would make for three (3) average months based on Seller’s average monthly volume over the term of this Agreement and utilizing the average Fixed Avoided Cost Prices specified in Schedule 37. Such amount shall be fixed at the Effective Date of this Agreement.

1.11 **“Effective Date”** shall have the meaning set forth in Section 2.1.

1.12 **“Energy Delivery Schedule”** shall have the meaning set forth in Section 4.5.

1.13 **“Environmental Attributes”** shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water.

Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.

1.14 “**Excess Output**” shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Capacity Rating.

1.15 “**Facility**” shall have the meaning set forth in Recital A.

1.16 “**Facility Capacity Rating**” means the sum of the Nameplate Capacity Ratings for all generators comprising the Facility.

1.17 “**FERC**” means the Federal Energy Regulatory Commission, or its successor.

1.18 “**Generation Interconnection Agreement**” means the generation interconnection agreement to be entered into separately between Seller and PacifiCorp’s transmission or distribution department, as applicable, providing for the construction, operation, and maintenance of PacifiCorp’s interconnection facilities required to accommodate deliveries of Seller’s Net Output if the Facility is to be interconnected directly with PacifiCorp rather than another electric utility.

1.19 “**Green Tags**” means (1) the Environmental Attributes associated with all Net Output, together with (2) all WREGIS Certificates; and (3) the Green Tag Reporting Rights associated with such energy, Environmental Attributes and WREGIS Certificates, however commercially transferred or traded under any or other product names, such as "Renewable Energy Credits," "Green-e Certified", or otherwise. One (1) Green Tag represents the Environmental Attributes made available by the generation of one (1) MWh of energy from the Facility. Provided however, that “Green Tags” do not include Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity.

1.20 “**Green Tag Reporting Rights**” means the exclusive right of a purchaser of Green Tags to report exclusive ownership of Green Tags in compliance with federal or state law, if applicable, and to federal or state agencies or other parties at such purchaser's discretion, and include reporting under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international, or foreign emissions trading program or renewable portfolio standard.

1.21 “**Letter of Credit**” means an irrevocable standby letter of credit, from an institution that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder.

1.22 “**Licensed Professional Engineer**” means a person acceptable to PacifiCorp in its reasonable judgment who is licensed to practice engineering in the state of Oregon, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made.

1.23 “**Material Adverse Change**” means the occurrence of any event of default under any material agreement to which Seller is a party and of any other development, financial or otherwise, which would have a material adverse effect on Seller, the Facility or Seller’s ability to develop, construct, operate, maintain or own the Facility as provided in this Agreement

1.24 “**Maximum Annual Delivery**” shall have the meaning set forth in Section 4.3.

1.25 “**Minimum Annual Delivery**” shall have the meaning set forth in Section 4.3.

1.26 “**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.27 “**Net Energy**” means the energy component, in kWh, of Net Output.

1.28 “**Net Output**” means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller’s load other than station use), if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be the amount of energy flowing through the Point of Delivery.

1.29 “**Net Replacement Power Costs**” shall have the meaning set forth in Section 11.4.1.

1.30 “**Off-Peak Hours**” means all hours of the week that are not On-Peak Hours.

1.31 “**On-Peak Hours**” means the hours between 6 a.m. Pacific Prevailing Time (“PPT”) and 10 p.m. PPT, Mondays through Saturdays, excluding all hours occurring on holidays as provided in Schedule 37.

1.32 “**Point of Delivery**” means the high side of the Seller’s step-up transformer(s) located at the point of interconnection between the Facility and PacifiCorp’s distribution/transmission system, as specified in the Generation Interconnection Agreement, or, if the Facility is not interconnected directly with PacifiCorp, the point at which another utility will deliver the Net Output to PacifiCorp as specified in **Exhibit B**.

1.33 “**Prime Rate**” means the publicly announced prime rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time

quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, New York, selected by the Party to whom interest based on the Prime Rate is being paid.

1.34 “**Prudent Electrical Practices**” means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry or any of the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time a decision is made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Electrical Practices is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts.

1.35 “**QF**” means “**Qualifying Facility**,” as that term is defined in the FERC regulations (codified at 18 CFR Part 292) in effect on the Effective Date.

1.36 “**Renewable Resource Deficiency Period**” means the period from 2024 through 2040.

1.37 “**Renewable Resource Sufficiency Period**” means the period from 2014 through 2023.

1.38 “**Replacement Price**” means the price at which PacifiCorp, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PacifiCorp in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PacifiCorp in causing replacement energy to be delivered to the Point of Delivery. If PacifiCorp elects not to make such a purchase, the Replacement Price shall be the market price at the Mid-Columbia trading hub for such energy not delivered, plus any additional cost or expense incurred as a result of Seller’s failure to deliver, as determined by PacifiCorp in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.39 “**Required Facility Documents**” means all licenses, permits, authorizations, and agreements, including a Generation Interconnection Agreement or equivalent, necessary for construction, operation, and maintenance of the Facility consistent with the terms of this Agreement, including without limitation those set forth in **Exhibit C**.

1.40 “**Schedule 37**” means the Schedule 37 of Pacific Power & Light Company’s Commission-approved tariffs, providing pricing options for Qualifying Facilities of 10,000 kW or less, which is in effect on the Effective Date of this Agreement. A copy of that Schedule 37 is attached as **Exhibit G**.

1.41 “**Scheduled Commercial Operation Date**” shall have the meaning set forth in Recital C.

1.42 “**Scheduled Initial Delivery Date**” shall have the meaning set forth in Recital B.

1.43 “**Start-Up Testing**” means the completion of required factory and start-up tests as set forth in **Exhibit E** hereto.

1.44 “**Termination Date**” shall have the meaning set forth in Section 2.4.

1.45 “**WREGIS**” means the Western Renewable Energy Generation Information System or successor organization in case WREGIS is ever replaced.

1.46 “**WREGIS Certificate**” means “Certificate” as defined by WREGIS in the WREGIS Operating Rules dated July 15, 2013.

1.47 “**WREGIS Operating Rules**” means the operating rules and requirements adopted by WREGIS, dated July 15, 2013.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties (“**Effective Date**”).

2.2 **Time is of the essence for this Agreement**, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

By December 31, 2015 Seller shall provide PacifiCorp with a copy of an executed Generation Interconnection Agreement, or wheeling agreement, as applicable, which shall be consistent with all material terms and requirements of this Agreement.

Upon completion of construction, Seller, in accordance with Section 6.1, shall provide PacifiCorp with an As-built Supplement acceptable to PacifiCorp;

By the date thirty (30) days after the Effective Date, Seller shall provide Default Security required under Sections 10.1 or 10.2, as applicable.

2.3 Seller shall cause the Facility to achieve Commercial Operation on or before the Scheduled Commercial Operation Date. If Commercial Operation occurs after the Scheduled Commercial Operation Date, Seller shall be in default, and liable for delay damages specified in Section 11.

2.4 Except as otherwise provided herein, this Agreement shall terminate on November 17, 2031 (“**Termination Date**”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

- 3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.
 - 3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.
 - 3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.
 - 3.1.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any court, or any regulatory agency or other body having authority to which PacifiCorp is subject.
 - 3.1.5 This Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).
- 3.2 Seller represents, covenants, and warrants to PacifiCorp that:
- 3.2.1 Seller is a limited liability company duly organized and validly existing under the laws of Oregon.
 - 3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.
 - 3.2.3 Seller has taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.
 - 3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.
 - 3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy,

insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

- 3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF, and Seller will operate the Facility in a manner consistent with its FERC QF certification. Seller has provided to PacifiCorp the appropriate QF certification (which may include a FERC self-certification) prior to PacifiCorp's execution of this Agreement. At any time during the term of this Agreement, PacifiCorp may require Seller to provide PacifiCorp with evidence satisfactory to PacifiCorp in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements and, if PacifiCorp is not satisfied that the Facility qualifies for such status, a written legal opinion from an attorney who is (a) in good standing in the state of Oregon, and (b) who has no economic relationship, association or nexus with the Seller or the Facility, stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained and will continue to maintain the Facility as a QF.
- 3.2.7 Compliance with Ownership Requirements in Commission Proceedings No. UM 1129 and UM 1610. Seller will not make any changes in its ownership, control, or management during the term of this Agreement that would cause it to not be in compliance with the definition of a Small Cogeneration Facility or Small Power Production Facility provided in PacifiCorp's Schedule 37 tariff approved by the Commission at the time this Agreement is executed. Seller will provide, upon request by PacifiCorp not more frequently than every 36 months, such documentation and information as reasonably may be required to establish Seller's continued compliance with such Definition. PacifiCorp agrees to take reasonable steps to maintain the confidentiality of any portion of the above-described documentation and information that the Seller identifies as confidential except PacifiCorp will provide all such confidential information the Public Utility Commission of Oregon upon the Commission's request. These ownership requirements, as well as the dispute resolution provision governing any disputes over a QF's entitlement to the standard rates and standard contract with respect to the requirements, are detailed in Schedule 37.
- i. Additional Seller Creditworthiness Warranties. Seller need not post security under Section 10 for PacifiCorp's benefit in the event of Seller default, provided that Seller warrants all of the following:

- a. Neither the Seller nor any of its principal equity owners is or has within the past two (2) years been the debtor in any bankruptcy proceeding, is unable to pay its bills in the ordinary course of its business, or is the subject of any legal or regulatory action, the result of which could reasonably be expected to impair Seller's ability to own and operate the Facility in accordance with the terms of this Agreement.
- b. Seller has not at any time defaulted in any of its payment obligations for electricity purchased from PacifiCorp.
- c. Seller is not in default under any of its other agreements and is current on all of its financial obligations, including construction related financial obligations.
- d. Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility.
- e. **[Applicable only to Seller's with a Facility having a Facility Capacity Rating greater than 3,000 kW]** Seller meets the Credit Requirements.

Seller hereby declares (Seller initial one only):

- _____ Seller affirms and adopts all warranties of this Section 3.2.8, and therefore is not required to post security under Section 10; or
- ___X___ Seller does not affirm and adopt all warranties of this Section 3.2.8, and therefore Seller elects to post the security specified in Section 10.

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4: DELIVERY OF POWER

4.1 Commencing on the Commercial Operation Date, unless otherwise provided herein, Seller will sell and PacifiCorp will purchase (a) all Net Output from the Facility delivered to the Point of Delivery and (b) all Green Tags associated with the output or otherwise resulting from the generation of energy by the Facility (which shall come from the Facility and from no other source), for the periods during which the Green Tags are required to be transferred to PacifiCorp under the terms of Section 5.5.

4.2 Average Annual Generation. Seller estimates that the Facility will generate, on average, 12,066,700 kWh per Contract Year (“**Average Annual Generation**”). Seller may, upon at least six months prior written notice, modify the Average Annual Generation every other Contract Year.

4.3 Minimum and Maximum Delivery. Seller shall make available from the Facility a minimum of 7,851,600 kWh of Net Output during each Contract Year, provided that such minimum for the first Contract Year shall be reduced pro rata to reflect the Commercial Operation Date, and further provided that such minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract Year that the Facility was prevented from generating electricity for reasons of Force Majeure (“**Minimum Annual Delivery**”). Seller estimates, for informational purposes, that it will make available from the Facility a maximum of 13,600,300 kWh of Net Output during each Contract Year (“**Maximum Annual Delivery**”). Seller’s basis for determining the Minimum and Maximum Annual Delivery amounts is set forth in **Exhibit D**.

4.4 Deliveries in Deficit of Delivery Obligation. Seller’s failure to deliver the Minimum Annual Delivery in any Contract Year (prorated if necessary) shall be a default, and Seller shall be liable for damages in accordance with Section 11.

4.5 Energy Delivery Schedule. Seller has provided a monthly schedule of Net Energy expected to be delivered by the Facility (“**Energy Delivery Schedule**”), incorporated into **Exhibit D**.

4.6 Transfer of Title to Green Tags; Documentation of Green Tags Transfers. Subject to the Green Tags ownership as defined in Section 5.5, title to the Green Tags shall pass from Seller to PacifiCorp immediately upon the generation of the Net Output at the Facility that gives rise to such Green Tags. The Parties shall execute all additional documents and instruments reasonably requested by PacifiCorp in order to further document the transfer of the Green Tags to PacifiCorp or its designees. Without limiting the generality of the foregoing, Seller shall, on or before the 10th day of each month, deliver to PacifiCorp a Green Tags Attestation and Bill of Sale in the form attached as **Exhibit H** for all Green Tags delivered to PacifiCorp hereunder in the preceding month, along with any attestation that is then-current with the Center for Resource Solution's Green-e program or successor organization in case the Center for Resource Solutions is replaced by another party over the life of the contract. Seller, at its own cost and expense, shall register with, pay all fees required by, and comply with, all reporting and other requirements of WREGIS relating to the Facility or Green Tags, except that when Seller is required to transfer Green Tags to PacifiCorp under Section 5.5, PacifiCorp will pay all fees

required by WREGIS relating to the Green Tags. Seller shall ensure that the Facility will participate in and comply with, during the Term, all aspects of WREGIS. Seller will use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of WREGIS Certificates to PacifiCorp, and transfer such WREGIS Certificates to PacifiCorp, in accordance with WREGIS reporting protocols and WREGIS Operating Rules. Seller may either elect to enter into a Qualified Reporting Entity Services Agreement with PacifiCorp in a form approved by PacifiCorp, enter into a Qualified Reporting Entity Services Agreement with a third-party authorized to act as a Qualified Reporting Entity, or elect to act as its own WREGIS-defined Qualified Reporting Entity. Seller shall promptly give PacifiCorp copies of all documentation it submits to WREGIS. Further, in the event of the promulgation of a scheme involving Green Tags administered by CAMD, upon notification by CAMD that any transfer contemplated by this Agreement will not be recorded, the Parties shall promptly cooperate in taking all reasonable actions necessary so that such transfers can be recorded. Seller shall not report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program that any of the Green Tags purchased by PacifiCorp hereunder belong to any person other than PacifiCorp. Without limiting the generality of PacifiCorp's ownership of the Green Tag Reporting Rights, PacifiCorp may report under such program that such Green Tags purchased hereunder belong to it. Each Party shall promptly give the other Party copies of all documents it submits to the CAMD to effectuate any transfer. Seller shall reasonably cooperate in any registration by PacifiCorp of the Facility in the renewable portfolio standard or equivalent program in all such further states and programs in which PacifiCorp may wish to register or maintain registration of the Facility by providing copies of all such information as PacifiCorp reasonably required for such registration.

SECTION 5: PURCHASE PRICES

5.1 Seller shall have the option to select one of three pricing options: Standard Fixed Avoided Cost Prices (“Fixed Price Standard”), Renewable Fixed Avoided Cost Prices (“Fixed Price Renewable”), or Firm Market Indexed Avoided Cost Prices (“Firm Electric Market”), as published in Schedule 37. Once an option is selected the option will remain in effect for the duration of the Facility’s contract. Seller has selected the following (Seller to initial one):

| | |
|---------|-----------------------|
| _____ | Fixed Price Standard |
| ___X___ | Fixed Price Renewable |
| _____ | Firm Electric Market |

A copy of Schedule 37, and a table summarizing the purchase prices under the pricing option selected by Seller, is attached as **Exhibit G**.

5.2 (Fixed Price Standard Seller Only). In the event Seller elects the Fixed Price Standard pricing method, PacifiCorp shall pay Seller the applicable On-Peak and Off-Peak rates specified in **Schedule 37** during the first fifteen (15) years after the Scheduled Initial Delivery Date. Thereafter, PacifiCorp shall pay Seller Firm Electric Market.

5.3 (Fixed Price Renewable Seller Only). In the event Seller elects the Fixed Price Renewable pricing method, PacifiCorp shall pay Seller the applicable On-Peak and Off-Peak

rates specified in **Schedule 37** during the first fifteen (15) years after the Scheduled Initial Delivery Date. Thereafter, PacifiCorp shall pay Seller Firm Electric Market.

5.4 For all Excess Output and for all Net Output delivered prior to the Commercial Operation Date, PacifiCorp shall pay Seller 93 percent of a blended market index price for day-ahead firm energy at MidColumbia, California Oregon Border (COB), Four Corners and Palo Verde market indices as reported by the Intercontinental Exchange (ICE), for the On-Peak and Off-Peak periods. PacifiCorp shall document its calculation of the blended rate, upon request, to Seller. Such payment will be accomplished by adjustments pursuant to Section 9.2.

5.5 Environmental Attributes

5.5.1 (Fixed Price Standard Seller Only): PacifiCorp waives any claim to Seller's ownership of Environmental Attributes under this Agreement throughout the Term.

5.5.2 (Fixed Price Renewable Seller Only): PacifiCorp waives any claim to Seller's ownership of Environmental Attributes during the Renewable Resource Sufficiency Period, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Scheduled Initial Delivery Date. Subject to the foregoing, Seller shall transfer the Green Tags to PacifiCorp in accordance with Section 4.5 during the Renewable Resource Deficiency Period.

SECTION 6: OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of initial (and any subsequent) construction of the Facility, Seller shall provide PacifiCorp an As-built Supplement to specify the actual Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp, which approval shall not unreasonably be withheld, conditioned or delayed.

6.2 Incremental Utility Upgrades. At start-up (and at any other time upon at least six months' prior written notice), Seller may increase Net Output, if such increase is due to normal variances in estimated versus actual performance, changed Facility operations, or improvements in Facility efficiency. Seller may not increase Net Output under this Agreement by installing additional generating units. In the case of substantial upgrades, PacifiCorp may require Seller to comply with Section 3.2.8(e) (in the event that the Facility upgrade causes the Facility Capacity Rating to exceed 3,000 kW) and increase its Minimum Annual Delivery obligation in Section 4.3 (if appropriate). PacifiCorp may also update Seller's security obligation (if applicable). So long as the Facility Capacity Rating after the upgrade is 10,000 kW or less, Seller will continue to receive the Contract Price for the Net Output, as set forth in Sections 5.1, 5.2, and 5.3 of this Agreement. If Seller increases the Facility Capacity Rating above 10,000 kW, then (on a going forward basis) PacifiCorp shall pay Seller the Contract Price for the fraction of total Net Output equal to 10,000 kW divided by the Facility Capacity Rating of the upgraded Facility. For the remaining fraction of Net Output, PacifiCorp and Seller shall agree to a new negotiated rate. Seller shall be responsible for ensuring that any planned increase in the Facility Capacity Rating

or the maximum instantaneous capacity of the Facility complies with Seller's Generation Interconnection Agreement and any other agreements with PacifiCorp.

6.3 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement (if applicable), Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and PacifiCorp's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's non-compliance with the Generation Interconnection Agreement. PacifiCorp shall have the right to inspect the Facility to confirm that Seller is operating the Facility in accordance with the provisions of this Section 6.3 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

6.4 Scheduled Outages. Seller may cease operation of the entire Facility or individual units, if applicable, for maintenance or other purposes. Seller shall exercise its best efforts to notify PacifiCorp of planned outages at least ninety (90) days prior, and shall reasonably accommodate PacifiCorp's request, if any, to reschedule such planned outage in order to accommodate PacifiCorp's need for Facility operation.

6.5 Unplanned Outages. In the event of an unscheduled outage or curtailment exceeding twenty-five (25) percent of the Facility Capacity Rating (other than curtailments due to lack of motive force), Seller immediately shall notify PacifiCorp of the necessity of such unscheduled outage or curtailment, the time when such has occurred or will occur and the anticipated duration. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled outage or curtailment, to limit the duration of such, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 7: FUEL/MOTIVE FORCE

Prior to the Effective Date of this Agreement, Seller provided to PacifiCorp a fuel or motive force plan acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit D-1**, together with a certification from a Licensed Professional Engineer to PacifiCorp attached hereto as **Exhibit D-2**, certifying that the implementation of the fuel or motive force plan can reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Minimum Annual Delivery set forth by Seller in Section 4.

SECTION 8: METERING

8.1 PacifiCorp shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement, if applicable.

8.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement, or, if the Net Output is to be wheeled to PacifiCorp by another utility, metering will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such other utility. All quantities of energy purchased hereunder shall be adjusted to account for electrical losses, if any between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of energy flowing into PacifiCorp's system at the Point of Delivery.

8.3 PacifiCorp shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement, if applicable. If the Net Output is to be wheeled to PacifiCorp by another utility, meter inspection, testing, repair and replacement will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such utility. If any of the inspections or tests discloses an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) Billing Periods, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered following the repair of the meter.

SECTION 9: BILLINGS, COMPUTATIONS, AND PAYMENTS

9.1 On or before the thirtieth (30th) day following the end of each Billing Period, PacifiCorp shall send to Seller payment for Seller's deliveries of Net Output to PacifiCorp, together with computations supporting such payment. PacifiCorp may offset any such payment to reflect amounts owing from Seller to PacifiCorp pursuant to this Agreement, the Generation Interconnection Agreement, or any other agreement between the Parties.

9.2 Corrections. PacifiCorp shall have up to eighteen months to adjust any payment made pursuant to Section 9.1. In the event PacifiCorp determines it has overpaid Seller (for Excess Output or otherwise), PacifiCorp may adjust Seller's future payment accordingly in order to recapture any overpayment in a reasonable time.

9.3 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; *provided, however*, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 10: SECURITY

Unless Seller has adopted the creditworthiness warranties contained in Section 3.2.8, Seller must provide security (if requested by PacifiCorp) in the form of a cash escrow, letter of credit, senior lien, or step-in rights. Seller hereby elects to provide, in accordance with the applicable terms of this Section 10, the following security (Seller to initial one selection only):

_____ Cash Escrow

_____ Letter of Credit

_____ Senior Lien

 X Step-in Rights

_____ Seller has adopted the Creditworthiness Warranties of Section 3.2.8.

In the event Seller's obligation to post default security (under Section 10 or Section 11.1.4) arises solely from Seller's delinquent performance of construction-related financial obligations, upon Seller's request, PacifiCorp will excuse Seller from such obligation in the event Seller has negotiated financial arrangements with its construction lenders that mitigate Seller's financial risks to PacifiCorp's reasonable satisfaction.

[SKIP THIS SECTION 10.1 UNLESS SELLER SELECTED CASH ESCROW ALTERNATIVE]

10.1 Cash Escrow Security. Seller shall deposit in an escrow account established by PacifiCorp in a banking institution acceptable to both Parties, the Default Security. Such sum shall earn interest at the rate applicable to money market deposits at such banking institution from time to time. To the extent PacifiCorp receives payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

[SKIP THIS SECTION 10.2 UNLESS SELLER SELECTED LETTER OF CREDIT ALTERNATIVE]

10.2 Letter of Credit Security. Seller shall post and maintain in an amount equal to the Default Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to PacifiCorp in its discretion, or (b) a Letter of Credit in favor of PacifiCorp. To the extent PacifiCorp receives payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

[SKIP THIS SECTION 10.3 UNLESS SELLER SELECTED SENIOR LIEN ALTERNATIVE]

10.3 Senior Lien. Before the Scheduled Commercial Operation Date, Seller shall grant PacifiCorp a senior, unsubordinated lien on the Facility and its assets as security for performance of this Agreement by executing, acknowledging and delivering a security agreement and a deed of trust or a mortgage, in a recordable form (each in a form satisfactory to PacifiCorp in the reasonable exercise of its discretion). Pending delivery of the senior lien to PacifiCorp, Seller

shall not cause or permit the Facility or its assets to be burdened by liens or other encumbrances that would be superior to PacifiCorp's, other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

[SKIP THIS SECTION 10.4 UNLESS SELLER SELECTED STEP-IN RIGHTS ALTERNATIVE]

10.4 Step-in Rights (Operation by PacifiCorp Following Event of Default of Seller).

Prior to any termination of this Agreement due to an Event of Default of Seller, as identified in Section 11, PacifiCorp shall have the right, but not the obligation, to possess, assume control of, and operate the Facility as agent for Seller (in accordance with Seller's rights, obligations, and interest under this Agreement) during the period provided for herein. Seller shall not grant any person, other than the lending institution providing financing to the Seller for construction of the Facility ("Facility Lender"), a right to possess, assume control of, and operate the Facility that is equal to or superior to PacifiCorp's right under this Section 10.4.

PacifiCorp shall give Seller ten (10) calendar days' notice in advance of the contemplated exercise of PacifiCorp's rights under this Section 10.4. Upon such notice, Seller shall collect and have available at a convenient, central location at the Facility all documents, contracts, books, manuals, reports, and records required to construct, operate, and maintain the Facility in accordance with Prudent Electrical Practices. Upon such notice, PacifiCorp, its employees, contractors, or designated third parties shall have the unrestricted right to enter the Facility for the purpose of constructing and/or operating the Facility. Seller hereby irrevocably appoints PacifiCorp as Seller's attorney-in-fact for the exclusive purpose of executing such documents and taking such other actions as PacifiCorp may reasonably deem necessary or appropriate to exercise PacifiCorp's step-in rights under this Section 10.4.

During any period that PacifiCorp is in possession of and constructing and/or operating the Facility, no proceeds or other monies attributed to operation of the Facility shall be remitted to or otherwise provided to the account of Seller until all Events of Default of Seller have been cured.

During any period that PacifiCorp is in possession of and operating the Facility, Seller shall retain legal title to and ownership of the Facility and PacifiCorp shall assume possession, operation, and control solely as agent for Seller.

In the event PacifiCorp is in possession and control of the Facility for an interim period, Seller shall resume operation and PacifiCorp shall relinquish its right to operate when Seller demonstrates to PacifiCorp's reasonable satisfaction that it will remove those grounds that originally gave rise to PacifiCorp's right to operate the Facility, as provided above, in that Seller (i) will resume operation of the Facility in accordance with the provisions of this Agreement, and (ii) has cured any Events of Default of Seller which allowed PacifiCorp to exercise its rights under this Section 10.4.

In the event that PacifiCorp is in possession and control of the Facility for an interim period, the Facility Lender, or any nominee or transferee thereof, may foreclose and take possession of and operate the Facility and PacifiCorp shall relinquish its right to operate when the Facility Lender or any nominee or transferee thereof, requests such relinquishment.

PacifiCorp's exercise of its rights hereunder to possess and operate the Facility shall not be deemed an assumption by PacifiCorp of any liability attributable to Seller. If at any time after exercising its rights to take possession of and operate the Facility PacifiCorp elects to return such possession and operation to Seller, PacifiCorp shall provide Seller with at least fifteen (15) calendar days advance notice of the date PacifiCorp intends to return such possession and operation, and upon receipt of such notice Seller shall take all measures necessary to resume possession and operation of the Facility on such date.

SECTION 11: DEFAULTS AND REMEDIES

11.1 Events of Default. The following events shall constitute defaults under this Agreement:

11.1.1 Breach of Material Term. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure by Seller to meet any deadline set forth in Section 2) or breach by a Party of a representation or warranty set forth in this Agreement.

11.1.2 Default on Other Agreements. Seller's failure to cure any default under any commercial or financing agreements or instrument (including the Generation Interconnection Agreement) within the time allowed for a cure under such agreement or instrument.

11.1.3 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.

11.1.4 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, including without limitation the posting of additional Default Security, within thirty (30) days from the date of such request;

11.1.5 Delayed Commercial Operations. Seller's failure to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date.

11.1.6 Underdelivery. If Seller's Facility has a Facility Capacity Rating of 100 kW or less, Seller's failure to satisfy the minimum delivery obligation of Section 4.3 for two (2) consecutive years; else Seller's failure to satisfy the minimum delivery obligation of Section 4.3 for one year.

11.2 Notice; Opportunity to Cure.

11.2.1 Notice. In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default.

11.2.2 Opportunity to Cure. A Party defaulting under Section 11.1.1 or 11.1.5 shall have thirty (30) days to cure after receipt of proper notice from the non-defaulting Party. This thirty (30) day period shall be extended by an additional ninety (90) days if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the additional ninety (90) day period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure.

11.2.3 Seller Default Under Other Agreements. Seller shall cause any notices of default under any of its commercial or financing agreements or instruments to be sent by the other party to such agreements or instruments, or immediately forwarded, to PacifiCorp as a notice in accordance with Section 23.

11.2.4 Seller Delinquent on Construction-related Financial Obligations. Seller promptly shall notify PacifiCorp (or cause PacifiCorp to be notified) anytime it becomes delinquent under any construction related financing agreement or instrument related to the Facility. Such delinquency may constitute a Material Adverse Change, subject to Section 11.1.4.

11.3 Termination.

11.3.1 Notice of Termination. If a default described herein has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement; *provided, however* that PacifiCorp shall not terminate: (a) for a default under Section 11.1.5 unless PacifiCorp is in a resource deficient state during the period Commercial Operation is delayed; or (b) for a default under Section 11.1.6, unless such default is material. The rights provided in Section 10 and this Section 11 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights. Further, the Parties may by mutual written agreement amend this Agreement in lieu of a Party's exercise of its right to terminate.

In the event this Agreement is terminated because of Seller's default and Seller wishes to again sell Net Output to PacifiCorp following such termination, PacifiCorp in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price, until the Termination Date (as set forth in Section 2.4). At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

11.3.2 Damages. If this Agreement is terminated as a result of Seller's default, Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price

from the sum of the Replacement Price for the Minimum Annual Delivery that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased to deliver the replacement power to the Point of Delivery, and the estimated administrative cost to the utility to acquire replacement power. Amounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PacifiCorp for the same.

If this Agreement is terminated because of Seller's default, PacifiCorp may foreclose upon any security provided pursuant to Section 10 to satisfy any amounts that Seller owes PacifiCorp arising from such default.

11.4 Damages.

11.4.1 Failure to Deliver Net Output. In the event of Seller default under Subsection 11.1.5 or Subsection 11.1.6, then Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the Replacement Price for any energy and capacity that Seller was otherwise obligated (under Section 4.3) to provide during the period of default ("**Net Replacement Power Costs**"); *provided, however*, that the positive difference obtained by subtracting the Contract Price from the Replacement Price shall not exceed the Contract Price, and the period of default under this Section 11.4.1 shall not exceed one Contract Year.

11.4.2 Recoupment of Damages.

Default Security Available. If Seller has posted Default Security, PacifiCorp may draw upon that security to satisfy any damages, above.

Default Security Unavailable. If Seller has not posted Default Security, or if PacifiCorp has exhausted the Default Security, PacifiCorp may collect any remaining amount owing by partially withholding future payments to Seller over a reasonable period of time, which period shall not be less than the period over which the default occurred. PacifiCorp and Seller shall work together in good faith to establish the period, and monthly amounts, of such withholding so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

SECTION 12: INDEMNIFICATION AND LIABILITY

12.1 Indemnities.

Indemnity by Seller. Seller shall release, indemnify and hold harmless PacifiCorp, its directors, officers, agents, and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with (a) the energy delivered by Seller under this Agreement to and at the Point of Delivery, (b) any facilities on Seller's side of the Point of Delivery, (c) Seller's operation and/or maintenance of the Facility, or (d) arising from this Agreement, including without limitation any loss, claim, action or suit, for or on account of

injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PacifiCorp, Seller or others, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of PacifiCorp, its directors, officers, employees, agents or representatives.

Indemnity by PacifiCorp. PacifiCorp shall release, indemnify and hold harmless Seller, its directors, officers, agents, Lenders and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with the energy delivered by Seller under this Agreement after the Point of Delivery, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, Lenders or representatives.

12.2 No Dedication. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

12.3 No Consequential Damages. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN THE LIQUIDATED DAMAGES, DELAY DAMAGES, COST TO COVER DAMAGES OR OTHER SPECIFIED MEASURE OF DAMAGES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 13: INSURANCE (FACILITIES OVER 200KW ONLY)

13.1 Certificates. Prior to connection of the Facility to PacifiCorp's electric system, or another utility's electric system if delivery to PacifiCorp is to be accomplished by wheeling, Seller shall secure and continuously carry insurance in compliance with the requirements of this Section. Seller shall provide PacifiCorp insurance certificate(s) (of "ACORD Form" or the equivalent) certifying Seller's compliance with the insurance requirements hereunder. Commercial General Liability coverage written on a "claims-made" basis, if any, shall be specifically identified on the certificate. If requested by PacifiCorp, a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, shall be furnished to PacifiCorp.

13.2 Required Policies and Coverages. Without limiting any liabilities or any other obligations of Seller under this Agreement, Seller shall secure and continuously carry with an

insurance company or companies rated not lower than “B+” by the A.M. Best Company the insurance coverage specified below:

Commercial General Liability insurance, to include contractual liability, with a minimum single limit of \$1,000,000 to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement.

All Risk Property insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities.

13.3 The Commercial General Liability policy required herein shall include i) provisions or endorsements naming PacifiCorp, its Board of Directors, Officers and employees as additional insureds, and ii) cross liability coverage so that the insurance applies separately to each insured against whom claim is made or suit is brought, even in instances where one insured claims against or sues another insured.

13.4 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interests of PacifiCorp and that any other insurance maintained by PacifiCorp is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without 1) ten (10) days prior written notice to PacifiCorp if canceled for nonpayment of premium, or 2) thirty (30) days prior written notice to PacifiCorp if canceled for any other reason.

13.5 Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such other length of time necessary to cover liabilities arising out of the activities under this Agreement.

SECTION 14: FORCE MAJEURE

14.1 As used in this Agreement, “**Force Majeure**” or “**an event of Force Majeure**” means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or

availability of fuel or motive force resources to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

the non-performing Party, shall, within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

the suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure; and

the non-performing Party uses its best efforts to remedy its inability to perform.

14.2 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the event of Force Majeure.

14.3 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

14.4 PacifiCorp may terminate the Agreement if Seller fails to remedy Seller's inability to perform, due to an event of Force Majeure, within six months after the occurrence of the event.

SECTION 15: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 16: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the State of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 17: PARTIAL INVALIDITY

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the

Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

SECTION 18: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 19: GOVERNMENTAL JURISDICTIONS AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PacifiCorp.

SECTION 20: REPEAL OF PURPA

This Agreement shall not terminate upon the repeal of the PURPA, unless such termination is mandated by federal or state law.

SECTION 21: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent to a lender as part of a financing transaction or as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 22: ENTIRE AGREEMENT

22.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PacifiCorp's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

22.2 By executing this Agreement, Seller releases PacifiCorp from any claims, known or unknown, that may have arisen prior to the Effective Date.

SECTION 23: NOTICES

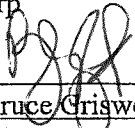
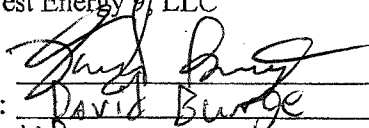
23.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested.

| Notices | PacifiCorp | Seller |
|---|---|--|
| All Notices | PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone: (503) 813 - 5380 Facsimile: (503) 813 - 6291 Duns: 00-790-9013 Federal Tax ID Number: 93-0246090 | Cypress Creek Renewables Attn: Asset Management Division 3250 Ocean Park Blvd, Suite 355, Santa Monica, CA 90405 (310) 581.6299 |
| All Invoices: | (same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580 | Same |
| Scheduling: | (same as street address above) Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813 - 6265 | Same |
| Payments: | (same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580 | Same |
| Wire Transfer: | Bank One N.A. ABA: ACCT: NAME: PacifiCorp Wholesale | |
| Credit and Collections: | (same as street address above) Attn: Credit Manager, Suite 700 Phone: (503) 813 - 5684 Facsimile: (503) 813 - 5609 | Same |
| With Additional Notices of an Event of Default or Potential Event of Default to: | (same as street address above) Attn: PacifiCorp General Counsel Phone: (503) 813-5029 Facsimile: (503) 813-7252 | Jerome O'Brien Cypress Creek Renewables 3250 Ocean Park Blvd, |

| Notices | PacifiCorp | Seller |
|----------------|-------------------|--|
| | | Suite 355, Santa Monica, CA 90405 973-220-1530 |

23.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 23.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the date first above written.

| | |
|---|--|
| PacifiCorp | NorWest Energy ⁹ LLC |
| By:  | By:  |
| Name: <u>Bruce Griswold</u> | Name: <u>DAVID BURGE</u> |
| Title: <u>Director, Short-Term Origination and</u> | Title: <u>VP</u> |
| <u>OF Contracts</u> | Date: <u>6/29/15</u> |
| Date: <u>June 30, 2015</u> | |

BWS 6-23-2015

ADDENDUM A
Jury Trial Waiver

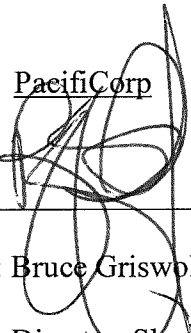
PacifiCorp and NorWest Energy 9, LLC (“NWE 9”) are parties to that certain Power Purchase Agreement executed the date last written below (the “PPA”). This Addendum A to the PPA is entered into by and between PacifiCorp and NWE 9 and is intended to be interpreted and applied to the PPA.

Whereas, the Parties for their respective business purposes have an interest in not presenting a dispute to a jury for trial should a dispute arise between the Parties;

NOW, THEREFORE, for independent consideration, the receipt and sufficiency of which is acknowledged by both Parties, the Parties do hereby declare and agree as follows:

TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

This Addendum A to the PPA is executed and made effective this 30th day of June, 2015.

PacifiCorp
By: 
Name: Bruce Griswold
Title: Director, Short-Term Origination
and QF Contracts

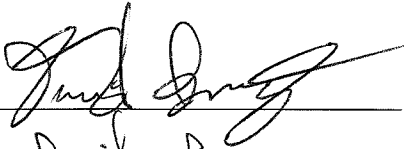
NorWest Energy 9, LLC
By: 
Name: David Bunge
Title: VP

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY
[Seller to Complete]

Seller's Facility consists of a 6.0 MWac solar photovoltaic project including PV panels, inverters, and fixed tilt system. More specifically, the inverter at the Facility is described as:

Number of Inverters: 3

Model: SMA - SC-2200-US

Number of Phases: 3

Rated Output (kW): 2000

Rated Output (kVA): 2200kVA

Rated Voltage (line to line): 385 Vac

Maximum kW Output: 2000 kW Maximum kVA Output: 2000 kVA

Minimum kW Output: 0 kW

Facility Annual Degradation Rate: 0.77%

Facility Capacity Rating: 6,000 kW.

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating:

The maximum output is 6,600 kVA@25°C. The output de-rates with increased temperature to 6,000 kVA@50°C.

Station service requirements, and other loads served by the Facility, if any, are described as follows: Station service loads for the Inverters are approximately 353 kWh per year.

Transformer: - 80 % , Tracker Motor:- 0 % , Data Acquisition and Aux Loads: - 20 %

Values above are percentage loss of Total output and losses are already accounted for in the expected output in Exhibit D-1.

Location of the Facility: The Facility is to be constructed in the vicinity of Pendleton in Umatilla County, Oregon . The location is more particularly described as follows:

GPS: 45°40'46.40"N, 118°51'12.80"W

Parcel ID: 2N320500-00318 and 2N320600-00100A2

Power factor requirements: Rated Power Factor (PF) or reactive load (kVAR): Power factor requirements will meet Pacificorp standard interconnection procedures.

A more detailed and updated Exhibit A will be provided per section 6.1

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

[Seller to provide its own diagram and description]

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

1. Include description of point of metering, and Point of Delivery
 2. Provide interconnection single line drawing of Facility including any transmission facilities on Seller's side of the Point of Delivery.
-
1. Point of Interconnection, located on Circuit 5W201, State Hospital, out of Buckaroo substation. The metering will be installed at the Point of Interconnection. Delivery will be at the Change of Ownership identified in PacifiCorp's one-line diagram from the System Impact Study Q0586.
 2. The project site map and one-line diagram are attached.

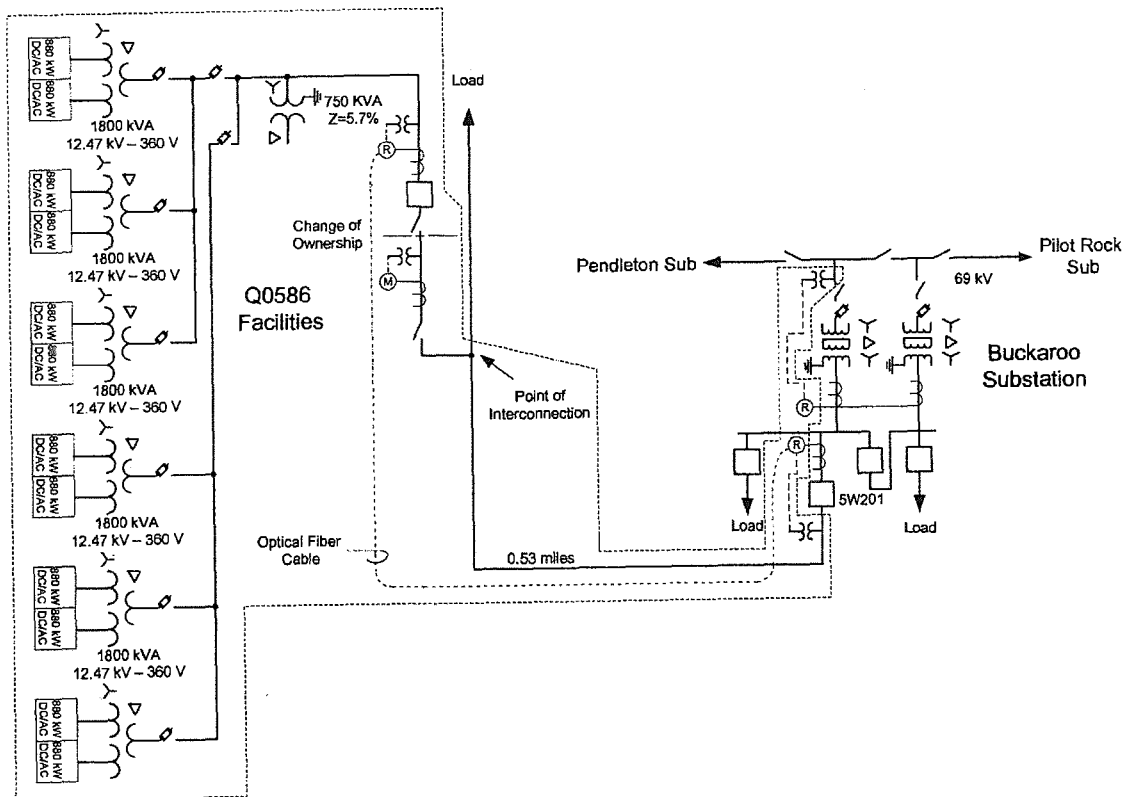
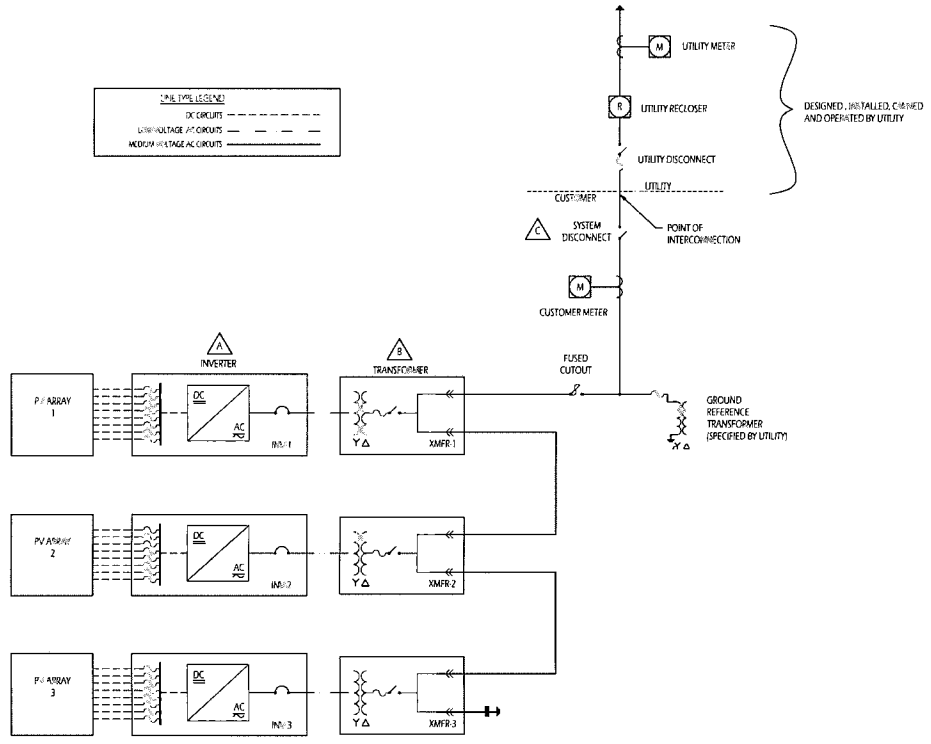


Figure 1: System One Line Diagram

| LINE TYPES/LEGEND | |
|-------------------|---------------------------|
| --- | DC CIRCUIT |
| --- | LOW VOLTAGE AC CIRCUIT |
| --- | MEDIUM VOLTAGE AC CIRCUIT |



1 PV SYSTEM SINGLE LINE DIAGRAM

PROJECT INFO:

SYSTEM SIZE:
AC SYSTEM RATING: 6 MW AC

APPLICANT:
CYPRESS CREEK RENEWABLES
3250 OCEAN PARK BLVD, STE 355
SANTA MONICA, CA 90405

GENERAL NOTES:

1. ALL EQUIPMENT SHALL BE UL LISTED FOR USE IN SYSTEM CONFIGURATION.
2. INSTALLATION SHALL COMPLY WITH NEC 2011 STANDARDS.
3. DC ARRAY SYSTEM SIZE AND CONFIGURATION MAY VARY UPON FINAL DESIGN.
4. TRANSFORMER OUTPUT CIRCUIT IS DIAGRAMED 3 IN SERIES. FINAL CONFIGURATION MAY VARY.
5. MEDIUM VOLTAGE UTILITY INTERCONNECTION SHALL BE IN COMPLIANCE WITH UTILITY STANDARDS.

SYMBOLS:

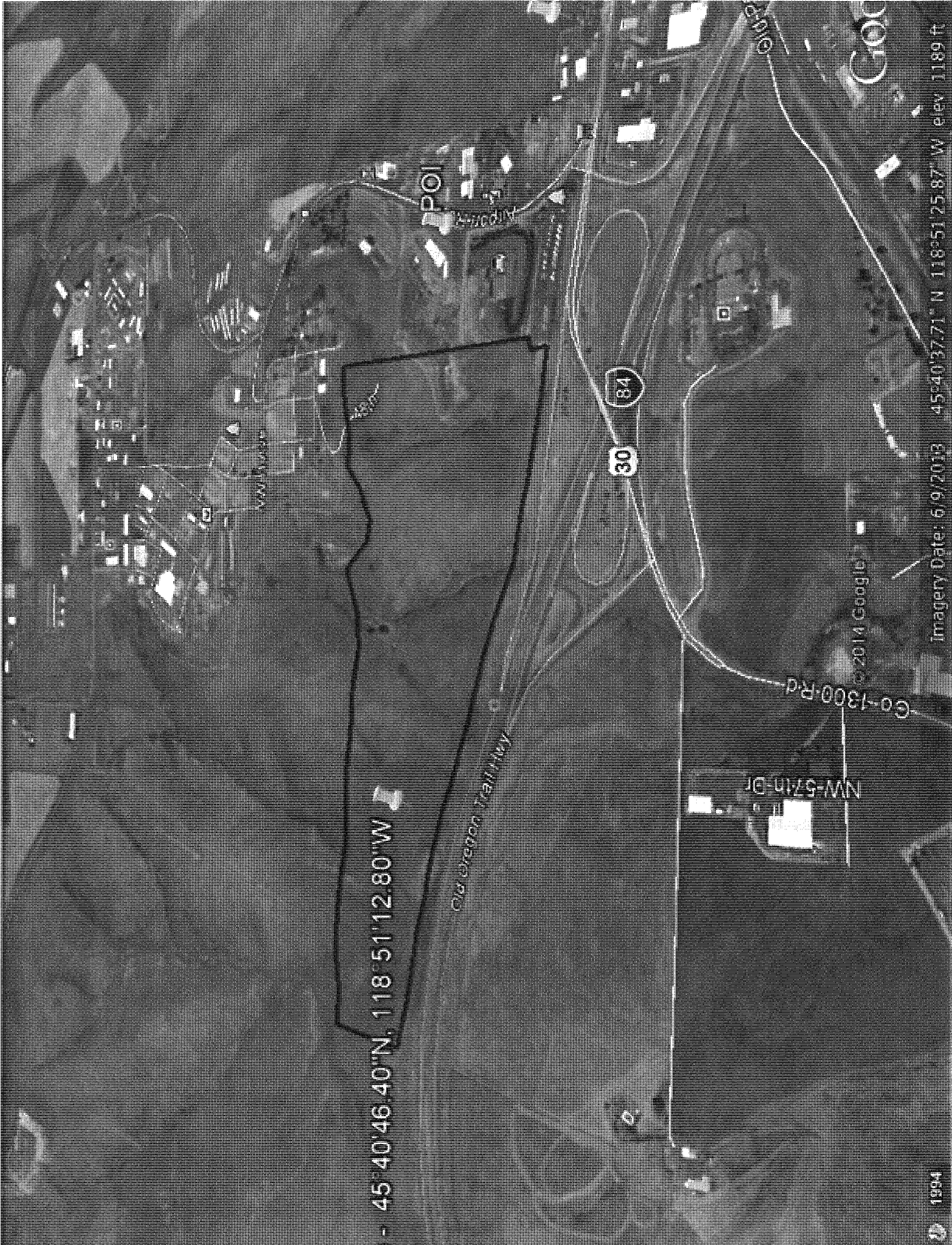
- CIRCUIT BREAKER
- DISCONNECT
- FUSE
- FUSED DISCONNECT
- SURGE ARRESTER

EQUIPMENT DETAILS:

| EQUIPMENT SCHEDULE | | | |
|--------------------|-------------------|-----|--|
| ID | DESCRIPTION | QTY | SPECIFICATIONS |
| A | INVERTER | 3 | SMA - SC-2200-US MAX OPEN CIRCUIT AND OPERATING VOLTAGE: 1,000 VDC MAX AC POWER: 2,200 kW/2,200 kVA POWER LIMITED TO: 2,000 kW NOMINAL AC VOLTAGE (line to line): 385 V MAX AC OUTPUT CURRENT: 3,300 A CERTIFICATIONS: UL 1741, UL 1998 IEEE 1547 COMPLIANT |
| B | TRANSFORMER | 3 | MVB 2200-US 2,200 kVA INPUT/SECONDARY: 385 V OUTPUT/PRIMARY: TBD MAX CURRENT AT NOMINAL VOLTAGE: 37A SYSTEM IMPEDANCE(Z): 5.4% MV CONNECTION: 600 A DEAD FRONT BUSHINGS, LOOP FEED MV FUSING: PROTECTIVE LINK IN SERIES WITH CURRENT LIMITING FUSE MV DISCONNECT: 2-POSITION, 200A, INTEGRATED LOAD BREAK SWITCH |
| C | SYSTEM DISCONNECT | 1 | GANG-OPERATED AIR-BREAK SWITCH |

| NO. | DATE | REVISIONS |
|-----|------|-----------|
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|-------------|----------|
| DRAWN BY: | KMH |
| CHECKED BY: | PB |
| DATE: | 06/20/18 |
| SCALE: | NONE |
| SHEET: | |



- 45°40'46.40"N, 118°51'12.80"W

POI

Old Oregon Trail Hwy

30 84

Go-1300-Rd

NW-57th-DI

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GROC

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

REQUIRED OF ALL FACILITIES:

QF Certification: QF14-723-000

Interconnection Agreement: Due December 31, 2015

Fuel Supply Agreement, if applicable: NA

Solar Ground Lease: between Oregon Solar Land Holding and City of Pendleton dated July 1st, 2014

Retail Electric Service Agreement

Permits:

- Conditional Use Permit or alternative zoning approval as applicable by the local jurisdiction
- Building Permit
- Electrical Permit (as applicable)
- 1200C Construction Stormwater General Permit (as applicable)

REQUIRED IF SELLER ELECTS TO GRANT SENIOR LIEN OR STEP-IN RIGHTS:

Deed or Lease to Facility Premises

Preliminary Title Report of Premises

Proof of ownership of Facility

Off-take sale agreements, e.g. surplus heat sale contract, if applicable

Depending upon the type of Facility and its specific characteristics, additional Required Facility Documents may be requested.

**ASSIGNMENT AND ASSUMPTION
OF Ground Lease Agreement**

THIS ASSIGNMENT AND ASSUMPTION OF Ground Lease Agreement between the City of Pendleton and Oregon Solar Land Holdings (this "Assignment") made this 1st day of August, 2014 (the "Effective Date"), by and between Oregon Solar Land Holdings a Oregon limited liability company ("Assignor"), and NorWest Energy 9, LLC an Oregon limited liability company ("Assignee").

RECITALS:

WHEREAS Assignor entered into that certain Ground Lease Agreement dated July 1st with the City of Pendleton (the "Agreement") for the lease of land located along Airport Rd, in the City of Pendleton, Umatilla County, OR and

WHEREAS Assignor desires to assign, transfer and convey all right, title, and interest in the Agreement to Assignee;

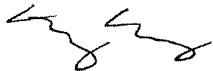
NOW THEREFORE, in consideration of the foregoing recitals, parties hereto agree as follows:

1. As of the Effective Date, Assignor hereby assigns, transfers and conveys to Assignee, all of Assignor's right, title and interest in, to, and under the Agreement, as of the Effective Date.
2. This Assignment shall inure to the benefit of, and be binding upon, the respective legal representatives, successors, and assigns of the parties. This Assignment shall be governed by and construed under the laws of the State of Oregon. This Assignment contains the entire agreement as to the assignment of the Agreement between the parties, and may not be changed, modified, or terminated orally, or in any other manner other than by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the Effective Date.

Oregon Solar Land Holdings, LLC

NorWest Energy 9, LLC

By  _____

By  _____

Name: Troy Snyder

Name: Jerome O'Brien

Title: For TLS Capital,

Title: Authorized Person

its Member

SOLAR GROUND LEASE

1. **Effective Date.** The effective date of this lease is July 1, 2014.

2. **Parties.**

2.1 The parties to this lease are the City of Pendleton, an Oregon municipal corporation (hereinafter "Landlord") and Oregon Solar Land Holdings LLC, an Oregon domestic limited liability company (hereinafter "Tenant").

2.2 Unless indicated otherwise below, the parties may be reached at the following addresses and phone numbers for any and all purposes of this lease:

Landlord:

Steve Chrisman, Airport
Director Eastern Oregon
Regional Airport 2016 Airport
Road
Pendleton, OR 97801
(541) 276-7754

Tenant:

Troy Snyder
Oregon Solar Land Holdings LLC
932 NE Stafford St
Portland, OR 97211
(503) 816-6880

3. **Recitals.**

3.1 Tenant desires to build and operate an approximately 10 megawatt solar photovoltaic electrical power generation facility. Before Tenant can obtain the necessary agreements from a utility company, Tenant must demonstrate that it has acquired a site where the facility can be built. As a result, Tenant desires to obtain a long-term lease for suitable land.

3.2 Landlord has bare industrial land which it wishes to lease on a productive and long-term basis, and which may meet the requirements for Tenant's facility. Landlord is supportive of the development of such facilities, but requires assurances that the facility will be designed and operated in a responsible manner that does not conflict with Landlord's other interests.

3.3 Tenant believes that the investigation and approval of a site for its facility will likely take several months. Tenant does not wish to be committed to a long-term lease if the development of Tenant's facility at Landlord's site proves to be impracticable.

4. **Premises to be Leased.** The "Premises" which is the subject of this lease is 65 acres (more or less) of undeveloped land located within a 90 acre (more or less) area that has historically been leased for grazing. The legal description of the grazing allotment is attached as Exhibit A. As further described in section 7, below, the specific location of the 65 acres within that allotment will be determined during the Due Diligence Period. Prior to the Commencement Date (as defined below) the parties shall append an Exhibit B to this lease,

providing the specific legal description of the Premises. For the purposes of a more general description, the land is located in the City of Pendleton, west of Airport Road and NW N Avenue, immediately north of Interstate 84, and south of a line extending west from NW K Avenue. The land lies within Umatilla County tax lots 2N320500- 00318 and 2N320600- 00100A2.

5.1 "Intended Use". Tenant shall use the Premises for the purpose of constructing and operating an approximately 10 megawatt solar photovoltaic electrical power generating facility. Tenant shall construct and operate that facility in a manner that is consistent with customary practices in the commercial solar power generation industry. Tenant is not authorized to use the premises for other purposes.

5.2 Alterations. Tenant may, at its expense, remove any existing improvements on the Premises, and make any alterations, additions, improvements and changes to the Premises that it deems reasonably necessary in the operation of its business without the consent of Landlord, including without limitation installation of fencing, security devices and/or signage; provided that such alterations, additions, improvements or changes are made in compliance with applicable laws. Landlord agrees to sign any permit applications and to take all such other actions as are reasonably required to allow Tenant to accomplish any such alterations, additions, improvements and changes to the Premises. Except in the case of the Landlord's election to take possession at the end of the lease (described below), any and all improvements constructed on the Premises by or for Tenant, and all machinery, fixtures, trade fixtures, furniture, equipment, and other personal property installed or placed in the Premises by or for Tenant shall, regardless of the manner of attachment to the Premises or the improvements thereon, be and at all times remain the property of Tenant, and shall be removed at Tenant's expense by it at the expiration or earlier termination of this Lease.

5.3 Compliance with *Instrument of Transfer*. The United States of America conveyed the Premises to Landlord by *Instrument of Transfer* dated July 13, 1948, as authorized by Public Law 80-311 (63 Stat. 700), as amended. The *Instrument of Transfer* is recorded in Book 192, Page 1 of the Deed Records of Umatilla County, Oregon. The *Instrument of Transfer* reserves certain rights to the United States of America, including (but not limited to) the right of the Federal Aviation Administration to impose regulations and restrictions on the Premises. Tenant acknowledges said limitations and consents to perform its obligations consistently with the terms and conditions of the *Instrument of Transfer*. Landlord reserves the right to terminate this lease, with or without fault of the tenant, if continuation of this lease prevents Landlord's compliance with the restrictions of its title. Any recapture of the premises by the United States of America in accordance with the terms of the *Instrument of Transfer* shall not give either party claim against the other.

5.4 Compliance With All Laws. Tenant shall, at its own expense, promptly observe and comply with all applicable present and future laws, ordinances, requirements, orders, directions, rules, and regulations of federal, state, county, and city governments and of all other governmental authorities having or claiming jurisdiction, directly or indirectly, over the

Premises or any part thereof, whether the same are in force at the commencement of this lease or may in the future be passed, enacted, or directed. Without limiting the generality of the foregoing, Tenant shall also procure each and every permit, license, certificate, or other authorization now or hereafter required in connection with the lawful and proper use of the Premises.

5.5 Compliance With Environmental Laws. The following paragraphs supplement the preceding subsection without limiting it.

A. The term "Environmental Laws" means all present or future federal, state, and local laws or regulations related to the protection of health or the environment, including but not limited to the Resource Conservation and Recovery Act (RCRA) (42 USC §6901, et seq.); the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) (42 USC §6601, et seq.); the Toxic Substances Control Act (15 USC §2601, et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §136 et seq.); the Clean Water Act (33 USC §1251, et seq.); the Clean Air Act (42 USC §7401, et seq.); amendments to the foregoing; and any rules and regulations promulgated thereunder.

B. The term "Hazardous Substances" means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined or listed by any Environmental Laws and includes, without limitation, any hazardous material, hazardous substance, ultra hazardous material, toxic waste, toxic substance, pollutant, radioactive material, petroleum product, and PCB, as those and similar terms are commonly used or defined by Environmental Laws.

C. Tenant may use or otherwise handle on the Premises only Hazardous Substances that are typically used or sold in the prudent and safe operation of such business as this lease authorizes Tenant to engage in on the Premises. Tenant may store those Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant must comply with the environmental laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances, and Tenant must take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. Tenant shall not dispose of any Hazardous Substances on the Premises. When this lease expires or terminates, Tenant must remove all Hazardous Substances from the Premises.

5.6 Waste, Nuisance, Disrepair and Debris Prohibited. Tenant shall be responsible for the repair and maintenance of the entire Premises. At no time will Tenant commit, suffer to be committed, or allow or permit others to commit, any waste on or with respect to the Premises or any nuisance. Tenant will maintain the premises in good order and repair. Tenant shall maintain the Premises free of trash and debris.

5.7 Upon giving 24 hour notice to Tenant, Landlord or its designee may enter upon the premises at reasonable times for the purpose of inspection of the premises or to determine whether the terms of this lease are being violated. No notice is required in case of emergency.

6. Rent.

6.1 **Initial Rental Rate.** On or before the Effective Date, Tenant shall pay Landlord an initial rent payment of \$500.00. If Tenant does not begin construction of Tenant's facility by the first anniversary of the Effective Date, Tenant shall pay Landlord a rent payment of \$9,750.

6.2 **Rental Rate.** The "Commencement Date" is the earlier of: 1) the date that Tenant begins construction of tenant's solar photovoltaic electrical power generating facility on the Premises, or 2) the second anniversary of the Effective Date. On the Commencement Date, the Rental Rate shall become \$500.00 per acre of the Premises as determined by Tenant's Survey (described below), excluding any portions of the Premises identified by Tenant as unsuitable for placement of solar panels.

6.3 **Payment Schedule.** Following the Commencement Date, rent shall be payable on a semi-annual basis.

A. The first semi-annual payment will be due on the Commencement Date and shall equal the Rental Rate, prorated for the number of days from the Commencement Date until the following January 15 or July 15, whichever is first in time after the Commencement Date. The amount of the first semi-annual payment shall then be reduced by the remaining prorated value of the initial rent payment, if any.

B. The second semi-annual payment of rent will be on either July 15 or January 15 whichever is first in time after the Commencement Date ("Second Rent Payment Date") and shall equal one-half of the Annual Rental Rate.

C. Subsequent payments of one-half of the Annual Rental Rate will be due every six (6) months after the Second Rent Payment Date.

6.4 **Escalation of Annual Rental Rate.** Beginning on the first annual anniversary of the Second Rent Payment Date and each anniversary date thereafter, the Annual Rental Rate payable hereunder shall increase by two and one half percent (2.5%).

6.5 **Due Date.** Tenant shall pay all rent on or before the due date, as described above without notice or on demand, and without deduction or setoff of any amount except as expressly provided otherwise in this Lease. Rent is deemed paid when it is actually received by Landlord. If Tenant fails to pay Landlord any rent or other sum payable by Tenant within ten business days following the Due Date, Tenant will pay to Landlord, in addition to the amount due, a late fee of 5% of the amount due. The parties agree that this late fee represents a fair and reasonable estimate of the costs that Landlord will incur by reason of the late payment.

Collection of the late charge will not be considered a waiver of default nor of any other right or remedy.

7. Due Diligence Period.

7.1 The "Due Diligence Period" is the period of time from the Effective Date until the Commencement Date.

7.2 Tenant shall use the Due Diligence Period to perform any tasks that are necessary to complete prior to beginning construction, such as investigating the condition of the premises, surveying the premises, finalizing construction plans, obtaining financing, obtaining a power purchasing agreement and obtaining any required regulatory or other approvals.

7.3 Survey of Premises. During the Due Diligence Period, Tenant shall obtain a survey of the Premises. The survey shall show the outer boundary of the land to be used by Tenant's facility, as well as any areas within that boundary which Tenant deems unsuitable for placement of solar panels. Tenant shall promptly provide a copy of the survey to Landlord. The parties shall append and Exhibit B to this Lease incorporating the legal description contained in the survey.

7.4 Livestock Grazing. The Premises are part of a 90 acre parcel of land ("Grazing Allotment") which Landlord leases for livestock grazing. During the Due Diligence Period, Landlord may continue leasing the entire Grazing Allotment for livestock grazing. On or before the Commencement Date, Landlord shall assure that an appropriate fence has been constructed to keep any livestock within the portion of the Grazing Allotment that is not occupied by the Premises, and that no livestock are on the Premises.

7.5 Discretionary Termination.

A. Not later than 60 days prior to the Commencement Date, Tenant shall deliver for Landlord's review the completed design specifications and plans for construction of Tenant's Facility, including the architectural components, structural systems and foundations, on-site civil engineering, mechanical and plumbing systems, electrical systems, specifications for materials, fire and safety systems, telecommunication systems, landscaping, drainage and related components, features, and systems. Tenant's Facility shall be designed according to industry best practices and shall meet all local and state permitting requirements. In the event the design specifications and plans do not meet local and state permitting requirements, Landlord may terminate this lease by giving written notice to Tenant. Tenant shall have 90 days from the date of written notice to redesign the Facility in order to comply with permitting requirements. If the Tenant is unable to redesign the Facility in order to comply with permitting requirements, the Landlord may terminate this lease.

B. If Tenant determines that Tenant's leasing of the Premises is not feasible or desirable for any reason whatsoever, Tenant may terminate this lease by giving written notice to Landlord no later than 30 days prior to the Commencement Date.

7.6 **Inspections and Testing.** During the Due Diligence Period, Tenant shall be entitled to conduct, at its own expense, such inspections and testing of the Premises as Tenant shall reasonably determine in its sole discretion (including without limitation, one or more environmental audits) and to physically inspect and review the Premises, which investigation shall be of such scope as Tenant shall determine. If Tenant decides to terminate this lease prior to the Commencement Date and Tenant's inspections have altered the Premises in any way, the lease shall not terminate until Tenant restores the Premises (and any other land of Landlord impacted by Tenant's use of the Premises) to substantially the condition it had on the Effective Date.

8. **Term of Lease.** This Lease shall commence on the Effective Date and shall end at 11:59 P.M. local time on the last day of the two hundred and fortieth (240th) full calendar month following the Commencement Date, unless sooner terminated as herein provided. Tenant shall have the right to extend the initial two hundred forty (240) month Term for up to two (2) additional successive "Renewal Terms" of five (5) years each by providing Landlord with written notice of Tenant's desire to extend the Term for the applicable Renewal Term prior to the Expiration Date (or prior to the expiration of the first Renewal Term, as applicable).

9. **Expiration or Earlier Termination of Lease.**

9.1 **Termination During Due Diligence Period.** As provided above, under specific conditions either Landlord or Tenant may terminate this Lease during the Due Diligence Period.

9.2 **Tenant's Loss of Power Purchase Agreement.** In the event that its power purchase agreement (or other agreement under which Tenant provides power generated at the Premises to a third party) is terminated for any reason whatsoever, Tenant may terminate this Lease by 30 day written notice to Landlord.

9.3 **Force Majeure.** If either party's performance of an obligation under this Lease (excluding a monetary obligation) is delayed or prevented in whole or in part by: 1) any legal requirement not attributable to an act or omission of the party, 2) any act of God, fire or other casualty, flood, storm, explosion, accident, epidemic, war, civil disorder, strike, or other labor difficulty, 3) shortage or failure of supply of materials, labor, fuel, power, equipment, supplies, or transportation, or 4) any other cause not reasonably within the party's control, whether or not the cause is specifically mentioned in this Lease, the party will be excused, discharged, and released of performance to the extent that such performance or obligation (excluding any monetary obligation) is so limited or prevented by the occurrence without liability of the party of any kind. If a condition excusing a party's performance continues for more than fifteen (15) days, then the other party may terminate this Lease by 30 days' notice to the excused party.

9.4 Default. As described below, Landlord shall have the right to terminate this Lease in the event of Default by Tenant.

9.5 Surrender of Premises at Expiration or Termination.

A. Surrender of Possession. Upon the expiration or prior termination of this Lease, Tenant will surrender and deliver the Premises to the possession and use of Landlord without fraud or delay, free and clear of all lettings and occupancies other than subleases to which Landlord has specifically consented, and free and clear of all liens and encumbrances other than those, if any, currently existing or created or suffered by Landlord, without any payment or allowance whatever by Landlord on account of any remaining improvements on the Premises.

B. Removal of Improvements. Prior to the expiration or earlier termination of this Lease, Tenant shall restore the Premises (and any other land of Landlord impacted by Tenant's use of the Premises) to substantially its condition as of the Effective Date using prudent engineering practices and removing Tenant's Property (including, without limitation, all fencing, roads, solar panels and mounting, and other improvements or alterations) and any electrical or communication or other utility poles, lines and connections (unless such lines and connections are used in connection with other property owned by Landlord and Landlord gives reasonable written notice to Tenant identifying the specific lines and connections to remain on the Premises). Tenant shall also remove any utility easements or other encumbrances Tenant has placed on the Premises. The removal and restoration shall be completed in a manner that does not materially and adversely affect the use of the Premises for livestock grazing purposes.

C. Optional Surrender of Improvements. Notwithstanding the foregoing, prior to the expiration or earlier termination of this Lease Landlord may, by written notice to Tenant, elect to purchase the improvements installed by Tenant (or some portion thereof) at Fair Market Value. Such election shall take effect on the date of expiration or termination of the Lease, in which case Tenant shall be relieved of the duty to remove the designated improvements. If Landlord makes such an election, Tenant may, prior to expiration or termination of the Lease, remove any furniture, records or equipment furnished by or at the expense of Tenant as long as the removal will not injure the Premises or the Improvements or necessitate changes in or repairs to them. Tenant will pay or cause to be paid to Landlord the cost of repairing any damage arising from the removal and restoration of the Premises and/or the improvements to their condition before removal.

D. Remedies for Tenant Failure to Comply with this Section.

(i) If Tenant fails to vacate and surrender the possession of the Premises at the expiration or earlier termination of this Lease, Landlord shall be entitled to recover from Tenant rent in an amount equal to one

hundred twenty-five percent (125%) of the amount of rent payable hereunder for the period, prorated on a daily basis, from the termination of this Lease until the date the Premises are vacated and surrendered.

(ii) If Tenant abandons the premises without removing the improvements as required in paragraph B or exercise of Landlord's option under paragraph C, above, Landlord may, at the expiration or earlier termination of this Lease, take possession of the Premises and take ownership of any improvements or personal property located therein. Tenant shall be liable to Landlord for any costs associated with Landlord's removal of the improvements and/or disposal of the abandoned personal property.

(iii) The remedies provided in this section are supplemental to any other remedies provided elsewhere in this Lease.

(iv) The obligations of Tenant under this section shall survive the expiration or earlier termination of this Lease.

10. Taxes and Utilities.

10.1 Tenant shall pay when due all taxes and assessments of any kind or nature which may be imposed upon the Premises or its improvements during the Term by applicable governmental entities, including, without limitation, all improvements made to the Land by Tenant or upon any other property installed in or brought onto the Premises by Tenant.

10.2 Tenant will arrange for and pay all utilities that service the Premises.

11. Easements, Zoning and Related Paperwork.

11.1 Tenant is hereby authorized to grant such easements across, under and over the Premises (and/or across any adjacent property owned by Landlord) as are reasonably necessary for rights of way, ingress and egress and for the installation, construction, maintenance, repair and replacement of utility lines serving the Premises, including without limitation any such easements required to connect the Premises to a receiver of electric power generated at the Premises. Landlord covenants and agrees that Landlord shall, upon the request of Tenant, join in the execution of any such easement.

11.2 If no public road directly accesses the Premises, Landlord shall provide to Tenant during the term of this Lease a nonexclusive leasehold easement for ingress and egress to and from the Premises, by a route to be designated by Landlord across Landlord's adjoining property, which shall connect to a public road. Tenant shall have the right to improve the easement to such a condition that the anticipated construction can occur in a manner suitable to Tenant.

11.3 Landlord agrees that Tenant, as exclusive occupant of the Premises, may file and prosecute applications for all re-zonings, variances, land use approvals or other approvals required in order for Tenant to operate the Premises for its Intended Use. To the degree that any such application or related document requires the signature of the Landlord in its capacity as property owner in order to be processed, Landlord, in its capacity as property owner (**but not in its capacity as the municipal government having regulatory authority over any such matter**), agrees to sign such documents. Such a signature shall not be construed to or in any way have the effect of diminishing the authority or discretion of the City of Pendleton, as regulatory authority responsible for such matters, in its performance of its regulatory duties regarding such applications.

12. Insurance.

12.1 On or before the earliest of: 1) the Commencement Date, or 2) the date Tenant takes possession of any portion of the Premises, or 3) the date Tenant commences or causes to commence any work of any type in or about the Premises, and continuing during the Term of this Lease and any occupancy of the Premises by Tenant following the expiration or termination of this Lease, Tenant will, at its sole expense, procure and maintain for the mutual benefit of Tenant and Landlord (including Landlord's officers, employees and agents acting within the scope of their employment or duties) a policy or primary and umbrella policies of commercial general liability insurance covering all operations by or on behalf of Tenant, providing insurance for bodily injury, death, and property damage liability and including coverage for contractual liability (including Tenant's indemnification obligations under this Lease).

12.2 The limits of liability under the insurance policy or policies shall not be less than those established for local public bodies under the Oregon Tort Claims Act, ORS 30.272 – 30.273, as amended. For purpose of illustration only (where the Act and these provisions differ, the Act shall govern), those limits are summarized as follows:

A. For causes of action arising on or after July 1, 2013, and before July 1, 2014:

(i) For Personal Injury and Death, \$633,300 to any single claimant, and \$1,266,700 to all claimants.

(ii) For property damage or destruction, \$106,700 to any single claimant, and \$533,400 to all claimants.

B. For causes of action arising on or after July 1, 2014 and before July 1, 2015:

(i) For Personal Injury and Death, \$666,700 to any single claimant, and \$1,333,300 to all claimants.

C. For property damage or destruction, an increase over the prior year's limits proportional to the change in the Portland-Salem, OR-WA Consumer Price Index for All

Urban Consumers for All Items, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, as determined by the State Court Administrator. For Causes of action arising on or after July 1, 2015 and before July 1, 2016, and for each year thereafter, an increase over the prior year's limits proportional to the change in the Portland-Salem, OR-WA Consumer Price Index for All Urban Consumers for All Items, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, as determined by the State Court Administrator.

12.3 Tenant's insurance policies required by this Lease shall:

- A. Be issued by insurance companies licensed to do business in Oregon with a general policyholder's ratings of at least A- and a financial rating of at least VI in the most current Bert's Insurance Reports available on the Commencement Date;
- B. Name Landlord as additional insured;
- C. Provide that the insurance not be canceled, non-renewed or coverage materially reduced unless thirty (30) days advance notice is given to Landlord; Language stating that the insurers "shall endeavor" to notify the certificate holder in the event of expiration, cancellation, termination, or material change will not be acceptable;
- D. Be non-assessable primary policies, and non-contributing with any insurance that Landlord may carry;
- E. Provide that any loss shall be payable notwithstanding any negligence of Landlord or Tenant which might result in a forfeiture of such insurance or the amount of proceeds payable; and
- F. Before or at the time Tenant's insurance is required under this Lease, and thereafter from time to time at Landlord's request, Tenant will furnish to Landlord evidence of insurance in the form of a certificate or other evidence reasonably satisfactory to Landlord that the insurance required by this Lease is in effect.

13. Indemnification. Tenant, at Tenant's sole cost and expense, will maintain, for the mutual benefit of Tenant, Landlord, and any leasehold mortgagee, property insurance covering loss or damage by fire and other risks an insurance policy insuring the fair market value of the Premises. If a special form type of insurance policy becomes unavailable, then Tenant will insure the improvements with coverage that is customary from time to time for comparable developments. Tenant shall be fully and exclusively responsible for insuring its facility. Indemnification. Except to the extent caused by Landlord, Tenant agrees to indemnify and hold Landlord harmless from any and all damages or claims which Landlord may be compelled to pay on account of injuries to person or property on the Premises where the aforesaid injuries are caused by Tenant, its agents, servants or employees, or by Tenant's breach of this Lease.

14. Assignment and Subletting.

14.1 Tenant shall have the right to assign this Lease or sublet the Premises or any part thereof, so long as the subtenant or assignee: (1) is of a character and quality similar to that of other businesses engaged in the types of activities described in the Intended Purpose of this Lease, and (2) has the financial net worth to enable it to meet its obligations under this Lease.

14.2 Tenant, as a corporation, may also assign or transfer this lease to a corporation into which Tenant is being merged or consolidated, and may assign or sublet its interest to a corporation that is a parent, subsidiary or affiliate of Tenant and which controls, directly or indirectly, not less than fifty percent (50%) of the outstanding stock of Tenant.

14.3 In any of the above circumstances, the assignment, transfer or sublease shall only take effect if the Tenant and the proposed assignee, transferee or sublessee promptly execute, acknowledge and deliver to Landlord an agreement in form and substance satisfactory to Landlord whereby these entities agree to be bound by and upon all the covenants, agreements, terms, provisions, and conditions which the Tenant is required to perform under the Lease.

14.4 If Tenant assigns its entire interest in this Lease to a party that expressly assumes in writing all obligations of Tenant under this Lease arising after the effective date of the assignment, Tenant shall be released or discharged from all of its covenants and obligations under this Lease, except such obligations as shall have accrued prior to the effective date of any such assignment or transfer; and Landlord agrees to look solely to Tenant's assignee for performance of such obligations. Otherwise Tenant shall continue to be responsible and bound by all terms and conditions of this Lease.

14.5 Tenant shall be responsible for any reasonable costs incurred by Landlord in connection with processing the assignment or sublease, including Landlord's reasonable attorneys' fees.

15. Leasehold Mortgages.

15.1 Tenant and every successor and assign of Tenant is hereby given the right by Landlord, without Landlord's prior written consent, to mortgage its interest in this Lease and assign its interest in this Lease as collateral security for such mortgage upon the condition that all rights acquired under such mortgage shall be subject to each and all of the covenants, conditions and restrictions set forth in this Lease, and to all rights and interest of Landlord herein, none of which covenants, conditions or restrictions is or shall be waived by Landlord by reason of the rights given Tenant to mortgage its interest in this Lease, except as expressly provided in this section.

15.2 If Tenant and/or Tenant's successors and assigns shall mortgage all or part of its interest in this Lease and if Tenant or the holder of such mortgage shall send to Landlord a true copy thereof together with written notice specifying the name and address of the mortgagee and the pertinent recording data with respect to such mortgage, Landlord agrees that so long as the

leasehold mortgage remains unsatisfied of record or until written notice of satisfaction is given by the holder to Landlord, the following provisions shall apply:

A. **Mortgage Consent.** There shall be no cancellation, surrender or modification of this Lease by joint action of Landlord and Tenant without the prior written consent of the leasehold mortgagee.

B. **Notices to Mortgagee.** Landlord shall, upon serving Tenant with any notice of default, simultaneously serve a copy of such notice upon the holder of the leasehold mortgage. The leasehold mortgagee shall have the same period, after service of such notice upon it, to remedy or cause to be remedied the defaults complained of, and Landlord shall accept such leasehold mortgagee's acts if they had been performed by Tenant.

C. **Insurance.** Landlord agrees that the name of the leasehold mortgagee may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by Tenant under this Lease on the condition that the insurance proceeds be applied in the manner specified in this Lease and that the leasehold mortgage or collateral document so provide.

D. **New Lease.** Landlord agrees that in the event of termination of this Lease by reason of any default by Tenant, that Landlord will enter into a new lease for the Premises with the leasehold mortgagee or its nominee for the remainder of the Lease Term effective as of the date of such termination, at the rent and other charges, and upon the terms, provisions, covenants and agreement contained in this Lease, subject only to the rights, if any, of the parties then in possession of any part of the Premises, provided:

(i) The mortgagee or its nominee shall make written request upon Landlord for the new lease within fifteen (15) days after the date of termination and the written request shall be accompanied by any then due payment of rent and other charges under this Lease; and the mortgagee or nominee shall execute and deliver the new lease within fifteen (15) days after Landlord has delivered it.

(ii) The mortgagee or its nominee shall pay to Landlord, at the time of execution and delivery of the new lease, any and all sums which would then be due pursuant to this Lease but for such termination and, in addition thereto, any reasonable expenses, including reasonable attorney's fees, which Landlord shall have incurred by reason of such default, including the costs of negotiation, approval and recording the new lease.

(iii) The mortgagee or its nominee shall perform and observe all covenants in this Lease to be performed by Tenant and shall further remedy any other

conditions which Tenant was obligated to perform under the terms of this Lease.

(iv) Landlord shall not warrant possession of the Premises to Tenant or the leasehold mortgagee under the new lease.

(v) The new lease shall be expressly made subject to the rights, if any, of Tenant under this Lease.

(vi) The tenant under the new lease shall have the same right, title and interest in and to the Premises as Tenant has under this Lease.

E. Confirming Documentation. Landlord shall, upon request, execute, acknowledge and deliver to each leasehold mortgagee an agreement prepared at the sole cost and expense of Tenant, in form satisfactory to the leasehold mortgagee and to Landlord, between Landlord, Tenant and the leasehold mortgagee confirming the provisions of this Section. Any additional reasonable costs incurred by Landlord in connection with the agreement, including reasonable attorneys' fees, shall be paid by Tenant or the leasehold mortgagee.

F. The term "mortgage," as used in this section, shall include deeds of trust and/or whatever security instruments are used in the State of Oregon from time to time, as well as financing statements, security agreements and other documentation required pursuant to the Uniform Commercial Code.

16. Condemnation.

16.1 In the event that the whole of the Premises shall be taken under the exercise of the power of eminent domain or by agreement with any condemnor in lieu of such taking, or such portion thereof that, in Tenant's judgment, the remainder of the Premises is not suitable for Tenant's purposes (herein called a "**Total Taking**"), then this Lease shall terminate as of the earlier of the date when title thereto vests in the condemnor or the date when possession thereof shall be delivered to the condemnor.

16.2 In the event that a portion or portions of the Premises shall be taken under the exercise of the power of eminent domain or by agreement with any condemnor in lieu of such taking, and such taking does not constitute a Total Taking (herein called a "**Partial Taking**"), then this Lease, only as to the portion or portions so taken, shall terminate as of the date possession thereof shall be delivered to the condemnor, but otherwise this Lease shall remain in full force and effect. In the case of a Partial Taking, the rent payable under this Lease after possession of the portion so taken shall be equitably reduced based on the acreage so taken and Tenant's loss of use of the remainder of the Premises. In the event of any Partial Taking, the condemnation

award given to either Landlord or Tenant shall be paid first to Tenant to restore the improvements on the Premises to a complete operational unit.

16.3 In the event that Landlord and Tenant are unable to obtain separate awards with respect to their respective interests in the Premises, then, the single award shall be fairly and equitably apportioned between Landlord and Tenant. The portion of the award to be received by Landlord shall be based upon the taking of or injury to the fee simple estate in the Land, but not the improvements thereon. The portion of the award to be received by Tenant shall be based upon the taking and reduction of Tenant's leasehold estate created by this Lease, the taking of any improvements constructed or placed by Tenant on the Land, loss or interruption of Tenant's business and the cost of any restoration or repair necessitated by such taking or condemnation. Tenant shall have the right to participate, at its own expense, in any such condemnation proceedings and to negotiate on behalf of itself in such proceedings, and Landlord agrees to cooperate with Tenant and to execute such documentation as may be reasonably necessary to allow Tenant to participate in such condemnation proceedings. Neither Landlord nor Tenant shall enter voluntarily into any binding agreement or settlement related to a Total Taking or a Partial Taking without the prior consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

17. Liens.

17.1 Tenant will not suffer or permit any construction liens to attach to the interest of Tenant in all or any part the Premises by reason of any work, labor, services, or materials done for, or supplied to, or claimed to have been done for or supplied to, Tenant or any person occupying or holding an interest in all or any part of the improvements on the Premises. If any such lien is filed against the Premises, Tenant will cause the same to be discharged of record within sixty (60) days after the date of its filing by either payment, deposit, or bond.

17.2 If Tenant fails to discharge or bond off the lien, Landlord will have the right to pay the amount of the lien and Tenant will promptly reimburse Landlord for any such payment by Landlord, together with all costs and fees (including attorney fees) incurred by Landlord in connection with the lien.

17.3 Landlord will have the right to post and keep posted at all reasonable times on the Premises and on the improvements any notices of nonresponsibility for the protection of Landlord and of the Premises and improvements from any such lien.

17.4 Nothing in this Lease may be deemed to be, or be construed in any way as constituting, the consent or request of Landlord, express or implied, by inference or otherwise, to any person, firm, or corporation for the performance of any labor or the

furnishing of any materials for any construction, rebuilding, alteration, or repair of or to the Premises or to the improvements, or as giving Tenant any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that might in any way give rise to the right to file any lien against Landlord's interest in the Premises or against Landlord's interest, if any, in the improvements. Tenant is not intended to be an agent of Landlord for the construction of improvements on the Premises.

18. Estoppel Certificate. Within fifteen (15) days after a request made by the other party, the party to whom the request was made will, without charge, give a certification in writing to any person, firm, or corporation reasonably specified by the requesting party stating: 1) that this Lease is then in full force and effect and unmodified, or if modified, stating the modifications; 2) that Tenant is not in default in the payment of Rent to Landlord, or if in default, stating the default; 3) that as far as the maker of the certificate knows, neither party is in default in performing or observing any other covenant or condition to be performed or observed under this Lease, or if either party is in default, stating the default; 4) that as far as the maker (if Landlord) of the certificate knows, no event has occurred that authorized, or with the lapse of time will authorize, Tenant to terminate this Lease, or if such an event has occurred, stating the event; 5) that as far as the maker of the certificate knows, neither party has any offsets, counterclaims, or defenses, or, if so, stating them; 6) the dates to which Rent has been paid; and 7) any other matters that may be reasonably requested by the requesting party.

19. Confidentiality. Landlord acknowledges that Landlord may become privy to confidential information of Tenant, in addition to information regarding the terms of this Lease. Landlord therefore agrees to take all steps to ensure that any information with regard to Tenant, Tenant's proposed use of the Land and improvements thereon and/or to this transaction, shall remain confidential and shall not be disclosed or revealed to outside sources by Landlord or by its employees, officers, agents, counsel, accountants or representatives except when reasonably necessary. The provisions of this paragraph shall survive termination of this Lease.

20. Quiet Enjoyment. Subject to the terms and conditions of this Lease, so long as Tenant is not in default under this Lease, Landlord covenants and agrees that Tenant is entitled to quiet possession of the Premises during the Term.

21. No Representations. Tenant acknowledges that it has examined the Premises and that no representations regarding the condition of the Premises have been made by Landlord or any agent or person acting for Landlord (except as expressly provided in this Lease). Before any construction commences on the Premises, Tenant will conduct tests of the subsurface and soil conditions to ascertain the suitability of the Premises for the contemplated Project and will furnish any fill and take any other steps that may be required before the commencement of construction. Landlord will have no liability because of, or as a result of, the existence of any subsurface or soil condition, either on the Premises or on adjacent land, that might affect Tenant's construction.

22. Default. In the event of the failure of either party to comply with any term, covenant or condition of this Lease for a period of thirty (30) days after the defaulting party's receipt of written notice from the other party of such failure (provided, however, if such failure cannot reasonably be cured within such thirty (30) day period, the defaulting party shall not be in default hereunder if it commences to cure within such thirty (30) day period and prosecutes the cure to completion in good faith and with due diligence), then the defaulting party shall be deemed in default hereunder and the other party may, at its option, pursue any and all remedies available to such party at law or in equity. In the event of a default hereunder, the non-defaulting party will take commercially reasonable measures to mitigate its damages.

23. Remedies.

23.1 Termination. If the Tenant defaults, this Lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not this Lease is terminated by the election of Landlord or otherwise, Landlord will be entitled to recover damages from Tenant for the default, and Landlord may reenter, take possession of the Premises and its improvements, and remove any persons or property by legal action or by self help with the use of reasonable force and without liability for damages and without having accepted a surrender.

23.2 Reletting. Following reentry, Landlord will use reasonable efforts to relet the Premises and its improvements on their fair market rent and terms, and in that connection may make any suitable alterations or refurbish the improvements, or both, or change the character or use of the Premises and its improvements. Landlord may relet all or part of the Premises for a term longer or shorter than the term of this Lease, on any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

23.3 Damages. In the event of termination or retaking of possession after default, Landlord will be entitled to recover immediately, without waiting until the due date, any future rent or, until the date fixed for expiration of the Term, the following amounts as damages:

A. The loss of rent from the date of default until a new tenant is, or with the exercise of reasonable efforts could have been, secured.

B. The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, costs incurred in accordance with this Lease, or any other expense occasioned by Tenant's default including but not limited to any reasonable remodeling or repair costs, attorney fees, court costs, broker commissions (prorated for the unexpired Term), and advertising costs.

C. Any excess of the value of the rent and all of Tenant's other obligations under this Lease over the reasonable expected return from the Premises for the period

commencing on the earlier of the date of trial or the date the Premises is relet, and continuing through the end of the Term.

23.4 **Right to Sue More than Once.** Landlord may sue periodically to recover damages during the period corresponding to the remainder of the Term, and no action for damages will bar a later action for damages subsequently accruing.

23.5 **Remedies Cumulative.** The foregoing remedies will be in addition to and will not exclude any other remedy available to Landlord under applicable law and may be exercised concurrently or successively in such order or combination as Landlord in its sole discretion may elect. All the covenants and conditions herein required to be performed by each party shall be considered to be continuing covenants and unless otherwise expressly stated shall exist for the terms of this Lease and any renewals and extensions thereof.

24. General Provisions.

24.1 **Time Is of the Essence.** Time is of the essence as to the performance of all the covenants, conditions, and agreements of this Lease.

24.2 **Governing Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Oregon.

24.3 **Entire Agreement; Counterparts.** This Lease contains the entire agreement between the parties and, except as otherwise provided, can be changed, modified, amended, or terminated only by an instrument in writing executed by the parties. Tenant and Landlord mutually acknowledge and agree that there are no verbal agreements or other representations, warranties, or understandings affecting this Lease. This Lease may be executed in any number of counterparts, each of which will constitute an original, but all of which will constitute one Lease.

24.4 **Binding Effect.** This Lease shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns.

24.5 **Interpretation.** In interpreting this Lease in its entirety, the printed provisions of this Lease and any additions written or typed thereon shall be given equal weight, and there shall be no inference, by operation of law or otherwise, that any provision of this Lease shall be construed against either party hereto. Landlord and Tenant acknowledge that they and their counsel have reviewed and revised this Lease and that any otherwise applicable rule of construction or any other presumption to the effect that any ambiguities are to be resolved against the drafting party shall not be used in the interpretation of this Lease or any exhibit or amendment hereto.

24.6 **Headings, Captions, and References.** The headings and captions contained in this Lease are for convenience only and do not in any way define, describe, limit, or amplify the scope or

intent of this lease or any term or provision in it. The use of the term *herein* refers to this Lease as a whole, inclusive of the Exhibits, except when noted otherwise. The use of a masculine or neuter gender in this Lease includes the masculine, feminine, and neuter genders and the singular form includes the plural when the context so requires.

24.7 Waiver. The waiver by any party of any breach of any covenant or agreement herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other covenant or agreement herein contained.

24.8 Invalidity of Particular Provisions. If any term or provision of this Lease (or the application of the Lease to any person or circumstance) is, to any extent, held to be invalid or unenforceable, the remainder of this Lease (or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable) will not be affected, and each term and provision of this Lease will be valid and be enforced to the fullest extent permitted by law.

24.9 Relationship of Parties. Nothing contained in this Lease is to be deemed or construed, either by the parties to this Lease or by any third party, to create the relationship of principal and agent or to create any partnership, joint venture, or other association between Landlord and Tenant. It is understood and agreed that neither party to this Lease, in performing any of the duties or obligations imposed upon either party or exercising any rights or benefits granted hereunder, shall at any time hold itself out to be the agent, servant, or employee of the other party in any manner whatsoever.

24.10 Brokerage. Landlord and Tenant represent to each other that they have not employed any brokers in negotiating and consummating the transaction set forth in this Lease, but have negotiated directly with each other.


24.11 Notices. All notices, elections, demands, requests, payments and other communications hereunder shall be in writing, signed by the party making the same and shall be sent by certified or registered United States mail, postage prepaid, or by national overnight courier service which provides tracking and acknowledgement of receipts, addressed as indicated in section 2, above, or at such other address as may hereafter be designated in writing by either party hereto. The time and date on which mail is postmarked shall be the time and date on which such communication is deemed to have been given.

24.12 Memorandum of Lease. Promptly after the full execution of this Lease, Landlord and Tenant shall execute and (at Tenant's expense) shall record at the Umatilla County Records Office, a memorandum of this lease, specifying the Effective Date, the Expiration Date, the Premises, and such other provisions hereof as the parties may mutually agree to incorporate therein, which memorandum of lease shall be in form sufficient to publish notice and protect the validity of this Lease and Tenant's rights hereunder.

[REMAINDER OF PAGE BLANK. SIGNATURE PAGE FOLLOWS.]

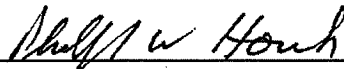
IN WITNESS WHEREOF, the parties hereto have subscribed their names.

OREGON SOLAR LAND HOLDINGS LLC:



Troy Snyder, *For T&S Capital, its Member*

THE CITY OF PENDLETON:

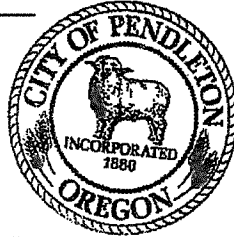


Phillip Houk, Mayor

Attest:



Andrea Denton, City Recorder



APPROVED BY CITY COUNCIL ON April 1, 2014

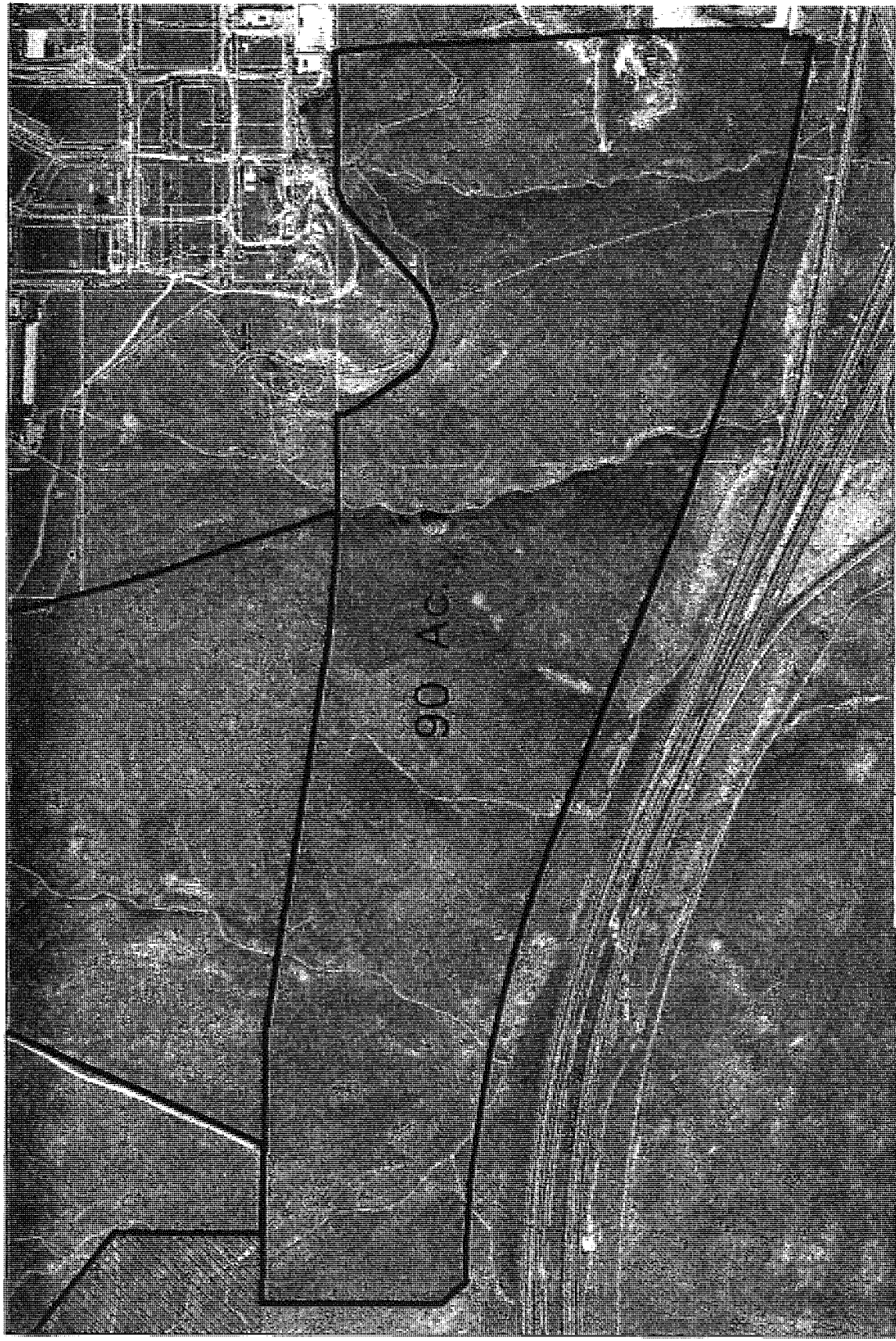
APPROVED AS TO FORM:



Nancy Kerns, City Attorney

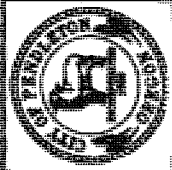


Steve Chrisman, Airport Manager



90 AC

DATE: 08/22/14
BY: [Signature]
FOR: [Signature]
PAGE: [Signature]



CITY OF PENDLETON

SOLAR LEASE - Exhibit A



112 SE Court Pendleton, OR 97801 (541) 276-2010 FAX (541) 276-0016

To: Cypress Creek Renewables
3250 Ocean Park Blvd., Ste. 355
Santa Monica, CA 90405
Attn: Chris Norqual

Date: November 12, 2014
Order No. 22262AM
Re: No Known Address
Pendleton, OR 97801

Your File No.: Pendleton

We have enclosed our Preliminary Title Report pertaining to order number 22262AM:

Thank you for the opportunity to serve you. Your business is appreciated!

If you have any questions or need further assistance, please do not hesitate to contact your Title Officer listed below.

Sincerely,

Richard Brown
Title Officer



112 SE Court Pendleton, OR 97801
(541) 276-2010 FAX (541) 276-0016

STATUS OF RECORD TITLE

Chris Norqual
Cypress Creek Renewables
3250 Ocean Park Blvd., Ste. 355
Santa Monica, CA 90405
Your Reference No. Pendleton

November 10, 2014
Title Number: 22262AM
Title Officer: Richard Brown
Fee: \$200.00

We have searched the status of record title as to the following described property:

TRACT I:

The North half of Section 6, Township 2 North, Range 32 East of the Willamette Meridian, in the County of Umatilla, State of Oregon.

TRACT II:

Beginning at the center of Section 6, Township 2 North, Range 32 East, of the Willamette Meridian, Umatilla County, Oregon; thence Easterly on the East-West center line of said Section 6 to the quarter corner common to Sections 6 and 5; thence South 0°20' East along the Section line common to Sections 6 and 5, a distance of 207.7 feet, more or less, to a point that is South 0°20' East 2900.5 feet from the section corner common to Section 31, 32, 6 and 5; thence Easterly 1391.37 feet; thence Southerly to the North right-of-way line of the Oregon State Highway U.S. No. 30 (the relocated Old Oregon Trail Highway); thence Westerly along the Northerly right-of-way line of the Oregon State Highway U.S. No. 30, to a point on the said Northerly right-of-way line that is 200 feet East of the North-South center line of Section 6; thence Northwesterly to a point on the said North-South center line, 200 feet North of the Northerly right-of-way line of the Oregon State Highway, U.S. No. 30; thence Northerly along the said North-South center line to the center of said Section 6, which is the point of beginning.

Together with all that portion of the East half of the Southwest quarter of Section 5, lying North of Highway No. 30, South of Pendair Heights (unrecorded subdivision) and West of Tax Lots 306, 308, 312, 392 and Public Road known as "N" Street as described in Book 343, Page 341, East of the Willamette Meridian, Umatilla County, Oregon.

Excepting therefrom that portion conveyed by Deeds recorded June 11, 1974 in Book 338, Page 95 and rerecorded January 15, 1975 in Book 343, Page 341, Umatilla County Microfilm Records.

Vestee:

City of Pendleton, Oregon, a municipal corporation

and dated as of October 27, 2014 at 7:30 a.m.

Said property is subject to the following on records matters:

Tax Information

Taxes assessed under Code No. 16-01 Account No. 148721 Map No. 2N 32 06 00 00100

NOTE: The 2014-2015 Taxes: Exempt

Taxes assessed under Code No. 16-01 Account No. 136308 Map No. 2N 32 05 00 00318

NOTE: The 2014-2015 Taxes: Exempt

1. Reservation of materials, including the terms and provisions contained therein, in deed from United States of America.
Recorded: March 2, 1950
Book: 192, Page: 1

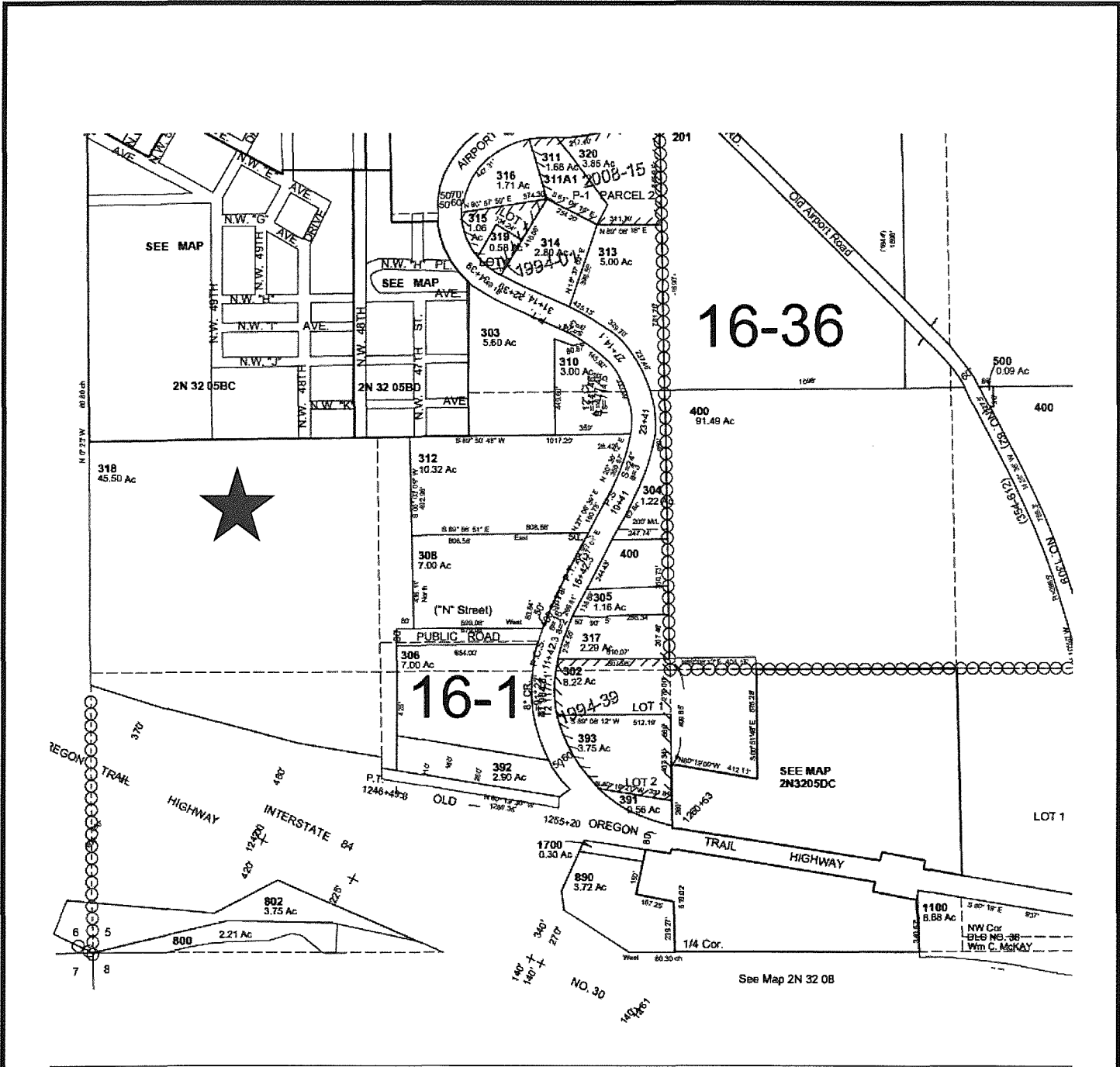
The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.

2. An easement including the terms and provisions thereof, affecting the portion of said premises and for the purposes stated therein as set forth in instrument:
Granted To: State of Oregon, by and through its Department of Transportation
Recorded: January 15, 1975
Book: 343, Page: 344
3. An easement including the terms and provisions thereof, affecting the portion of said premises and for the purposes stated therein as set forth in instrument:
Granted To: Ruth Ann Tuckwell
Recorded: August 5, 1996
Reel: 294, Page: 1553
4. The rights of the public in and to that portion of the herein described property lying within the limits of public roads, streets or highways.
5. Rights of tenants under existing leases or tenancies.

NOTE: Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to assist in property location with reference to streets and other parcels. No representation is made as to accuracy and the company assumes no liability for any loss occurring by reason of reliance thereon.

THIS IS NOT A TITLE REPORT, A COMMITMENT TO ISSUE TITLE INSURANCE OR A GUARANTEE OF ANY KIND. No liability is assumed with this report. The fee charged for this service does not include supplemental reports or other services. Further dissemination of the information in this report in a form purporting to insure title to the herein described land is prohibited by law.

"Superior Service with Commitment and Respect for Customers and Employees"

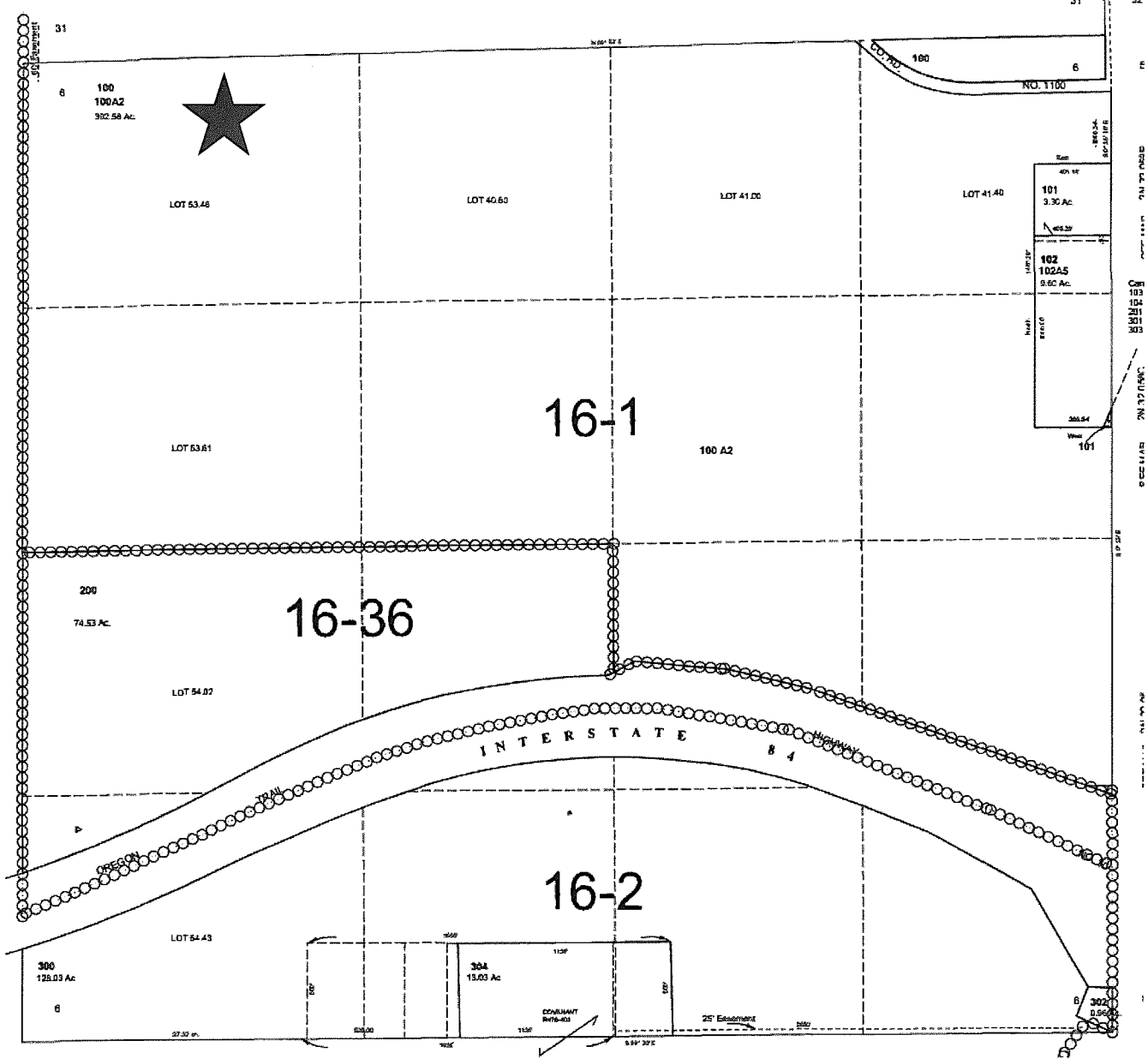


2N3205000318 Airport Road
Pendleton, OR 97801

THIS MAP IS FURNISHED AS AN ACCOMMODATION STRICTLY FOR THE PURPOSES OF GENERALLY LOCATING THE LAND. IT DOES NOT REPRESENT A SURVEY OF THE LAND OR IMPLY ANY REPRESENTATIONS AS TO THE SIZE, AREA OR ANY OTHER FACTS RELATED TO THE LAND SHOWN THEREOF



SEE MAP 3N 32



2N3205000318 Airport Road
Pendleton, OR 97801

THIS MAP IS FURNISHED AS AN ACCOMODATION STRICTLY FOR THE PURPOSES OF GENERALLY LOCATING THE LAND. IT DOES NOT REPRESENT A SURVEY OF THE LAND OR IMPLY ANY REPRESENTATIONS AS TO THE SIZE, AREA OR ANY OTHER FACTS RELATED TO THE LAND SHOWN THEREOF

EXHIBIT D-1

SELLER'S MOTIVE FORCE PLAN

A. MONTHLY DELIVERY SCHEDULES AND SCHEDULED MAINTENANCE

The average estimated generation is 12,066.7 MWh with an annual linearized degradation rate of 0.71% identified in the module power output schedule of the Canadian Solar warranty. The data was post-processed to account for a 1% availability loss and a 1.4% AC loss to the POI.

| Month | Net Yield Year 1 (MWh) |
|---------------------------------|------------------------|
| January | 769.2 |
| February | 833.7 |
| March | 1,063.5 |
| April | 1,106.6 |
| May | 1,212.8 |
| June | 1,194.4 |
| July | 1,193.7 |
| August | 1,174.2 |
| September | 1,008.6 |
| October | 967.7 |
| November | 797.9 |
| December | 744.5 |
| PV SYST Total + Post Processing | 12,066.7 MWh |

B. MINIMUM ANNUAL DELIVERY CALCULATION

The Minimum Annual Delivery of the facility is based on the estimated most adverse natural conditions reasonably expected. To calculate this, the P99 results identified in the PVsyst report was used with the subtraction of the assumed availability loss, AC collector system loss and a 25% contingency.

Minimum estimated first-year generation is 7,851.6 MWh.

Subsequent years are subject to the 0.71% module degradation factor.

C. MAXIMUM ANNUAL DELIVERY CALCULATION

The Maximum Annual Delivery of the facility is based on the estimated probability model identified in the PVsyst report. The P1 results identified in the PVsyst report are used with the subtraction of the assumed availability loss and AC collector system loss.

Maximum estimated first-year generation is 13,600.3 MWh. Subsequent years are subject to the 0.71% module degradation factor.

EXHIBIT D-2
ENGINEER'S CERTIFICATION OF
MOTIVE FORCE PLAN

Seller provide a written declaration from a Licensed Professional Engineer to PacifiCorp that the Facility is likely capable under average conditions foreseeable during the term of this Agreement of meeting Seller's estimated average, maximum, and minimum Net Output.

See attached letter



May 14, 2015
Chris Norqual
Cypress Creek Renewables
3250 Ocean Park Blvd, Ste. 355
Santa Monica, CA 90405
(310) 581.6299 Office

Dear Chris,

RRC is providing this production yield estimate to Cypress Creek Renewables for the Pendleton Solar Facility. The estimate provides the likely maximum, and minimum and typical Net Output of the Facility. The assumptions used in the estimate are documented within the attached PVsyst modeling report, assuming the installation of the Canadian Solar Modules. The data from PVsyst was post-processed, as discussed below, to provide these values.

MONTHLY DELIVERY SCHEDULES AND SCHEDULED MAINTENANCE

The average estimated generation is 12,066.7 MWh with an annual linearized degradation rate of 0.71% identified in the module power output schedule of the Canadian Solar warranty. The data was post-processed to account for a 1% availability loss and a 1.4% AC loss to the POI.

| Month | Net Yield Year 1 (MWh) |
|---------------------------------|------------------------|
| January | 769.2 |
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| July | 1,193.7 |
| August | 1,174.2 |
| September | 1,008.6 |
| October | 967.7 |
| November | 797.9 |
| December | 744.5 |
| PV SYST Total + Post Processing | 12,066.7 MWh |

TABLE 1. TYPICAL MONTHLY DELIVERY SCHEDULE - P50 WITH POST PROCESSING LOSSES

A. MINIMUM ANNUAL DELIVERY CALCULATION

The Minimum Annual Delivery of the facility is based on the estimated most adverse natural conditions reasonably expected. To calculate this, the P99 results identified in the PVsyst report was used with the subtraction of the assumed available loss, AC collector system loss and a 25% contingency.

Minimum estimated first-year generation is 7,851.6 MWh.

Subsequent years are subject to the 0.71% module degradation factor.

B. MAXIMUM ANNUAL DELIVERY CALCULATION

The Maximum Annual Delivery of the facility is based on the estimated probability model identified in the PVsyst report. The P1 results identified in the PVsyst report are used with the subtraction of the assumed available loss and AC collector system loss.

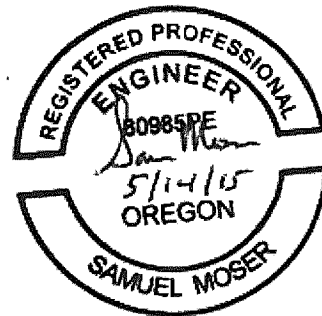
Maximum estimated first-year generation is 13,600.3 MWh.

Subsequent years are subject to the 0.71% module degradation factor.

Regards,

Samuel Moser

Attached: 1. PVSYST Pendleton Pages 1-6
2. Canadian Solar Datasheet, Pages 1-2



Grid-Connected System: Simulation parameters

Project : Pendleton_Pro prospector_TGY
Geographical Site SimonsFarm_Pro prospector_TGY **Country** United States
Situation Latitude 36.3°N Longitude 76.9°W
 Time defined as Legal Time Time zone UT-5 Altitude 18 m
 Albedo 0.20
Meteo data: SimonsFarm_Pro prospector_TGY TMY - Prospector

Simulation variant : Pendleton_Pro prospector_TGY
 Simulation date 13/05/15 15h48

Simulation parameters

Collector Plane Orientation Tilt 30° Azimuth 0°
60 Sheds Pitch 7.70 m Collector width 3.95 m
 Inactive band Top 0 m Bottom 0 m
 Shading limit angle Gamma 24.77 ° Occupation Ratio 51.3 %
 Shadings electrical effect Cell size 12.5cm Strings in width 1

Models used Transposition Perez Diffuse Imported
Horizon Free Horizon
Near Shadings Mutual shadings of sheds Electrical effect

PV Array Characteristics

PV module Si-poly Model **CS6X - 305P**
 Manufacturer Canadian Solar Inc.
 Number of PV modules In series 19 modules In parallel 1450 strings
 Total number of PV modules Nb. modules 27550 Unit Nom. Power 305 Wp
 Array global power Nominal (STC) **8403 kWp** At operating cond. 7503 kWp (50°C)
 Array operating characteristics (50°C) U mpp 609 V I mpp 12316 A
 Total area Module area **52864 m²** Cell area 48281 m²

Inverter Model **SMA SC2200-US (PVSyst 6) 150223**
 Manufacturer SMA
 Characteristics Operating Voltage 570-950 V Unit Nom. Power 2000 kWac
 Inverter pack Nb. of inverters 3 units Total Power 6000 kWac

PV Array loss factors

Array Soiling Losses

| Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sep. | Oct. | Nov. | Dec. |
|------|------|------|------|------|------|------|------|------|------|------|------|
| 7.6% | 5.0% | 3.5% | 1.8% | 0.5% | 0.6% | 1.0% | 1.1% | 0.8% | 0.9% | 2.7% | 5.0% |

Thermal Loss factor U_c (const) 25.0 W/m²K U_v (wind) 1.2 W/m²K / m/s
 Wiring Ohmic Loss Global array res. 0.84 mOhm Loss Fraction 1.5 % at STC
 LID - Light Induced Degradation Loss Fraction 1.3 %
 Module Quality Loss Loss Fraction 0.0 %
 Module Mismatch Losses Loss Fraction 0.5 % at MPP
 Incidence effect, ASHRAE parametrization IAM = 1 - bo (1/cos i - 1) bo Param. 0.05

Grid-Connected System: Simulation parameters (continued)

User's needs :

Unlimited load (grid)

Grid-Connected System: Main results

Project : Pendleton_Pro prospector_TGY

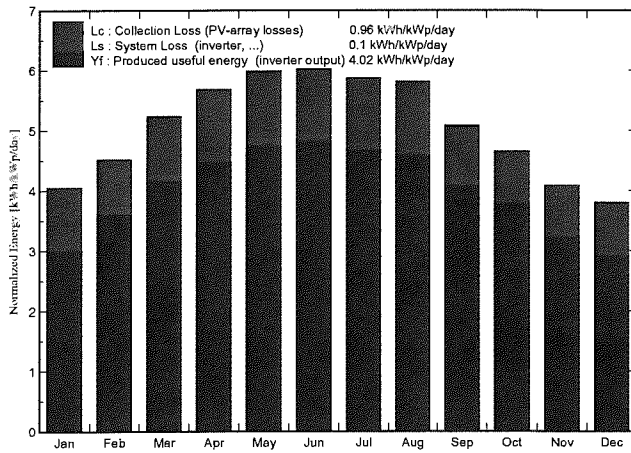
Simulation variant : Pendleton_Pro prospector_TGY

| | | | | |
|-------------------------------|--------------------------|--------------------|-----------------------|-------------------|
| Main system parameters | | System type | Grid-Connected | |
| PV Field Orientation | Sheds disposition, tilt | 30° | azimuth | 0° |
| PV modules | Model | CS6X - 305P | Pnom | 305 Wp |
| PV Array | Nb. of modules | 27550 | Pnom total | 8403 kWp |
| Inverter | SMA SC2200-US (PVsyst 6) | 150223 | Pnom | 2000 kW ac |
| Inverter pack | Nb. of units | 3.0 | Pnom total | 6000 kW ac |
| User's needs | Unlimited load (grid) | | | |

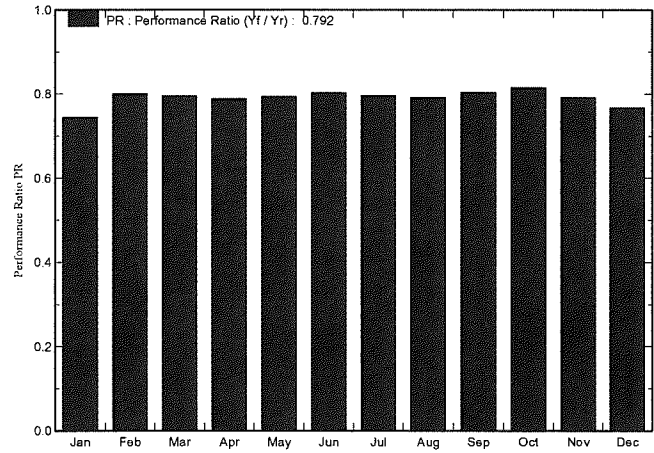
Main simulation results

System Production **Produced Energy 12331460 kW/year** Specific prod. 1468 kWh/kWp/year
 Performance Ratio PR **79.2 %**

Normalized productions (per installed kWp): Nominal power 8403 kWp



Performance Ratio PR



Pendleton_Pro prospector_TGY
Balances and main results

| | GlobHor | T Amb | GlobInc | GlobEff | EArray | E_Grid | EffArrR | EffSysR |
|------------------|---------|-------|---------|---------|--------|--------|---------|---------|
| | kWh/m² | °C | kWh/m² | kWh/m² | MWh | MWh | % | % |
| January | 78.4 | 6.01 | 125.7 | 108.0 | 806 | 786 | 12.13 | 11.83 |
| February | 91.4 | 5.42 | 126.6 | 113.8 | 873 | 852 | 13.04 | 12.73 |
| March | 135.2 | 8.01 | 162.5 | 148.3 | 1113 | 1087 | 12.96 | 12.65 |
| April | 159.9 | 14.16 | 170.7 | 158.0 | 1158 | 1131 | 12.83 | 12.54 |
| May | 189.1 | 20.49 | 185.8 | 173.3 | 1268 | 1239 | 12.91 | 12.62 |
| June | 191.8 | 23.48 | 180.9 | 168.2 | 1248 | 1221 | 13.05 | 12.76 |
| July | 190.5 | 26.46 | 182.3 | 168.7 | 1246 | 1220 | 12.93 | 12.65 |
| August | 175.5 | 26.56 | 180.4 | 167.3 | 1226 | 1200 | 12.86 | 12.58 |
| September | 134.5 | 22.99 | 152.6 | 142.5 | 1054 | 1031 | 13.06 | 12.77 |
| October | 110.0 | 15.62 | 144.4 | 135.3 | 1013 | 989 | 13.27 | 12.96 |
| November | 80.9 | 12.02 | 122.6 | 112.3 | 836 | 815 | 12.89 | 12.58 |
| December | 71.2 | 3.94 | 118.0 | 104.1 | 781 | 761 | 12.52 | 12.20 |
| Year | 1608.2 | 15.48 | 1852.7 | 1699.9 | 12623 | 12331 | 12.89 | 12.59 |

| | |
|---|---|
| Legends: GlobHor Horizontal global irradiation T Amb Ambient Temperature GlobInc Global incident in coll. plane GlobEff Effective Global, corr. for IAM and shadings | EArray Effective energy at the output of the array E_Grid Energy injected into grid EffArrR Effic. Eout array / rough area EffSysR Effic. Eout system / rough area |
|---|---|

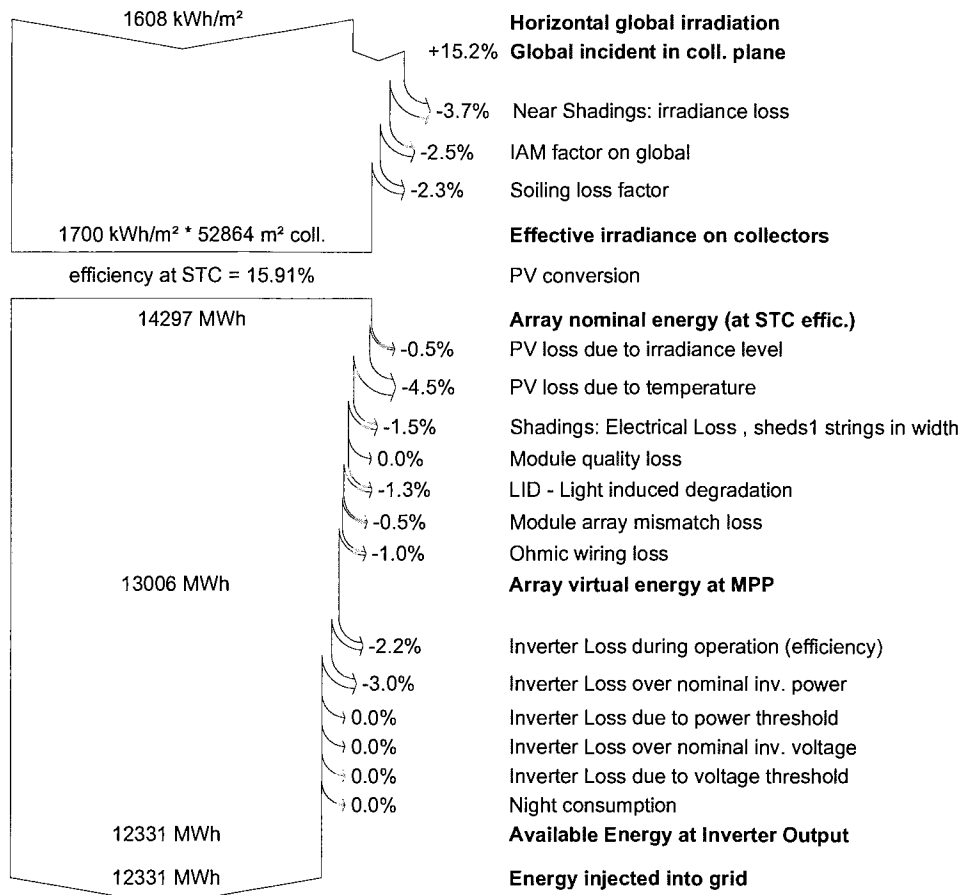
Grid-Connected System: Loss diagram

Project : Pendleton_Pro prospector_TGY

Simulation variant : Pendleton_Pro prospector_TGY

| | | | |
|-------------------------------|---------------------------------|-----------------------|------------------------------|
| Main system parameters | System type | Grid-Connected | |
| PV Field Orientation | Sheds disposition, tilt | 30° | azimuth 0° |
| PV modules | Model | CS6X - 305P | Pnom 305 Wp |
| PV Array | Nb. of modules | 27550 | Pnom total 8403 kWp |
| Inverter | SMA SC2200-US (PVSyst 6) 150223 | | Pnom 2000 kW ac |
| Inverter pack | Nb. of units | 3.0 | Pnom total 6000 kW ac |
| User's needs | Unlimited load (grid) | | |

Loss diagram over the whole year



Grid-Connected System: P50 - P90 evaluation

Project : Pendleton_Pro prospector_TGY

Simulation variant : Pendleton_Pro prospector_TGY

| | | | | |
|-------------------------------|---------------------------------|-----------------------|------------|-------------------|
| Main system parameters | System type | Grid-Connected | | |
| PV Field Orientation | Sheds disposition, tilt | 30° | azimuth | 0° |
| PV modules | Model | CS6X - 305P | Pnom | 305 Wp |
| PV Array | Nb. of modules | 27550 | Pnom total | 8403 kWp |
| Inverter | SMA SC2200-US (PVSyst 6) 150223 | | Pnom | 2000 kW ac |
| Inverter pack | Nb. of units | 3.0 | Pnom total | 6000 kW ac |
| User's needs | Unlimited load (grid) | | | |

Evaluation of the Production probability forecast

The probability distribution of the system production forecast for different years is mainly dependent on the meteo data used for the simulation, and depends on the following choices:

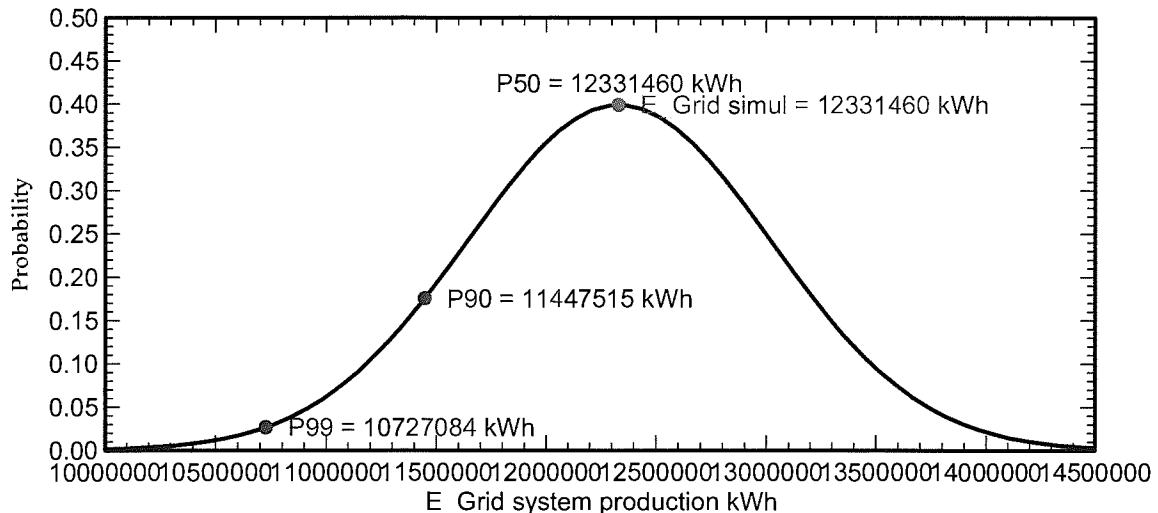
| | |
|--------------------------|----------------------|
| Meteo data source | Prospector |
| Meteo data | Kind TMY, multi-year |
| Specified Deviation | Climate change 0.0 % |
| Year-to-year variability | Variance 5.0 % |

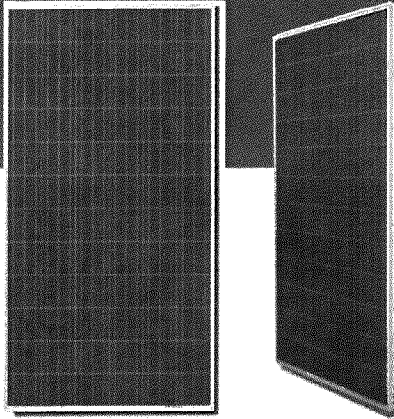
The probability distribution variance is also depending on some system parameters uncertainties

| | | | |
|-------------------------------------|------------------------------------|-------|-----------------|
| Specified Deviation | PV module modelling/parameters | 2.0 % | |
| | Inverter efficiency uncertainty | 0.5 % | |
| | Soiling and mismatch uncertainties | 1.0 % | |
| | Degradation uncertainty | 1.0 % | |
| Global variability (meteo + system) | Variance | 5.6 % | (quadratic sum) |

| | |
|-------------------------------|----------------------------|
| Annual production probability | Variability 689 MWh |
| | P50 12331 MWh |
| | P90 11448 MWh |
| | P99 10727 MWh |

Probability distribution





MAX POWER

CS6X-300 | 305 | 310P

THE BEST IN CLASS

Canadian Solar's modules are the best in class in terms of power output and long term reliability. Our meticulous product design and stringent quality control ensure our modules deliver an exceptionally high PV energy yield in live PV system as well as in PVsyst's system simulation. Our accredited in-house PV testing facilities guarantee all module component materials meet the highest quality standards possible.

PRODUCT | KEY FEATURES



Excellent module efficiency up to 16.16%



High performance at low irradiance above 96.0%



Positive power tolerance up to 5w



High PTC rating up to 91.94%



Anti-glare module surface available



IP67 junction box long-term weather endurance

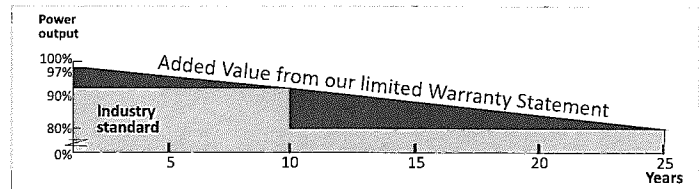


Heavy snow load up to 5400pa



Salt mist, ammonia and blown sand resistance, for seaside, farm and desert environment

PRODUCT | WARRANTY & INSURANCE



25 Year Industry leading linear power output warranty
10 Year Product warranty on materials and workmanship



Canadian Solar provides 100% non-cancellable, immediate warranty insurance

PRODUCT & MANAGEMENT SYSTEM | CERTIFICATES*

IEC 61215 / IEC 61730: VDE / CE / MCS / SII / KEMCO / CEC AU / CQC / INMETRO
UL 1703 / IEC 61215 performance: CEC listed (US) / FSEC (US Florida)
UL 1703: CSA | IEC 61701 ED2: VDE | IEC 62716: TUV | IEC60068-2-68: SGS
PV CYCLE (EU) | UNI9177 Reaction to Fire: Class 1

ISO9001:2008 | Quality management system
ISO14001:2004 | Standards for environmental management system
QC080000:2012 | The certificate for hazardous substances process management
OHSAS 18001:2007 | International standards for occupational health and safety



*Please contact your sales representative for the entire list of certificates applicable to your products

CANADIAN SOLAR INC.

Founded in 2001 in Canada, Canadian Solar Inc., (NASDAQ: CSIQ) is the world's TOP 3 solar power company. As a leading manufacturer of solar modules and PV project developer with about 6 GW of premium quality modules deployed around the world in the past 13 years, Canadian Solar is one of the most bankable solar companies in Europe, USA, Japan and China. Canadian Solar operates in six continents with customers in over 90 countries and regions. Canadian Solar is committed to providing high quality solar products, solar system solutions and services to customers around the world.



ELECTRICAL DATA | STC

| Electrical Data | CS6X-300P | CS6X-305P | CS6X-310P |
|---------------------------------|---|-----------|-----------|
| Nominal Maximum Power (Pmax) | 300 W | 305 W | 310W |
| Optimum Operating Voltage (Vmp) | 36.1 V | 36.3 V | 36.4V |
| Optimum Operating Current (Imp) | 8.30 A | 8.41 A | 8.52A |
| Open Circuit Voltage (Voc) | 44.6 V | 44.8 V | 44.9V |
| Short Circuit Current (Isc) | 8.87 A | 8.97 A | 9.08A |
| Module Efficiency | 15.63 % | 15.90 % | 16.16% |
| Operating Temperature | -40 °C~+85 °C | | |
| Maximum System Voltage | 1000 V (IEC) / 1000 V (UL) / 600 V (UL) | | |
| Maximum Series Fuse Rating | 15 A | | |
| Application Classification | Class A | | |
| Power Tolerance | 0 ~ +5 W | | |

* Under Standard Test Conditions (STC) of irradiance of 1000W/m², spectrum AM 1.5 and cell temperature of 25°C.

ELECTRICAL DATA | NOCT

| Electrical Data | CS6X-300P | CS6X-305P | CS6X-310P |
|---------------------------------|-----------|-----------|-----------|
| Nominal Maximum Power (Pmax) | 218 W | 221 W | 225W |
| Optimum Operating Voltage (Vmp) | 32.9 V | 33.1 V | 33.2V |
| Optimum Operating Current (Imp) | 6.61 A | 6.68 A | 6.77A |
| Open Circuit Voltage (Voc) | 41.0 V | 41.2 V | 41.3V |
| Short Circuit Current (Isc) | 7.19 A | 7.27 A | 7.36A |

* Under Nominal Operating Cell Temperature (NOCT), Irradiance of 800 W/m², spectrum AM 1.5, ambient temperature 20°C, wind speed 1 m/s.

MODULE | MECHANICAL DATA

| Specification | Data |
|-----------------------------|---|
| Cell Type | Poly-crystalline, 6inch |
| Cell Arrangement | 72 (6 x 12) |
| Dimensions | 1954 x 982 x 40mm (76.93 x 38.7 x 1.57in) |
| Weight | 22kg (48.5 lbs) |
| Front Cover | 3.2mm tempered glass |
| Frame Material | Anodized aluminium alloy |
| J-BOX | IP67, 3 diodes |
| Cable | 4mm ² (IEC)/4mm ² &12AWG 1000 V(UL1000V)/12AWG(UL600V), 1150mm/1300mm** |
| Connectors | MC4 or MC4 comparable |
| Standard Packaging | 24pcs, 608kg (quantity and weight per pallet) |
| Module Pieces per container | 528pcs (40'HQ) |

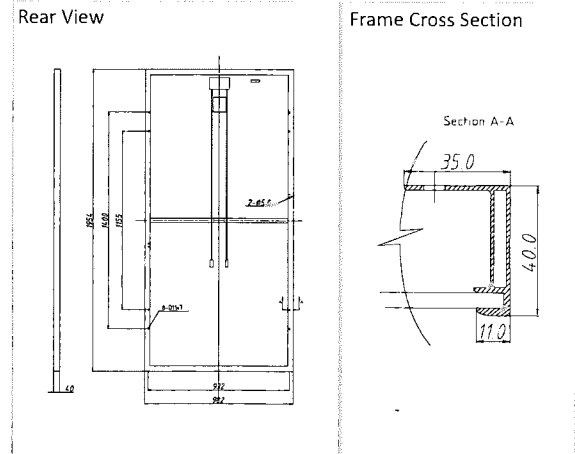
TEMPERATURE CHARACTERISTICS

| Specification | Data |
|------------------------------------|------------|
| Temperature Coefficient (Pmax) | -0.43 %/°C |
| Temperature Coefficient (Voc) | -0.34 %/°C |
| Temperature Coefficient (Isc) | 0.065 %/°C |
| Nominal Operating Cell Temperature | 45±2 °C |

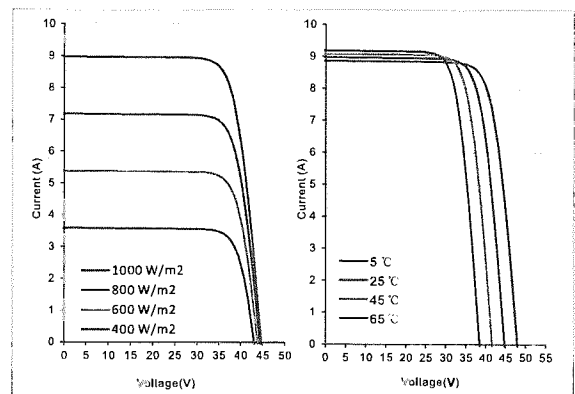
PERFORMANCE AT LOW IRRADIANCE

Industry leading performance at low irradiation, +96.5% module efficiency from an irradiance of 1000W/m² to 200W/m² (AM 1.5, 25 °C)

MODULE | ENGINEERING DRAWING



CS6X-305P | I-V CURVES



Partner Section

As there are different certification requirements in different markets, please contact your sales representative for the specific certificates applicable to your products. The specification and key features described in this Datasheet may deviate slightly and are not guaranteed. Due to an-going innovation, research and product enhancement, Canadian Solar Inc. reserves the right to make any adjustment to the information described herein at any time without notice. Please always obtain the most recent version of the datasheet which shall be duly incorporated into the binding contract made by the parties governing all transactions related to the purchase and sale of the products described herein.

**The CS6X with cable of 1300mm is only for Canadian market.

EXHIBIT E

START-UP TESTING

Start-Up Testing shall consist of the Quality Assurance/Quality Control plans and procedures developed by the EPC Contractor.

Contractor shall submit to Owner a final copy of its quality assurance/quality control (QA/QC) plan for review not later than 45 days after contract execution for Owner review and comment.

The QA/QC program shall include, but is not limited to, such procedures and systems as the following:

- Road construction
- Rebar and conduit placement
- Concrete placement and testing
- All wire insulation testing—Megger testing or very low frequency testing
- Mechanical system—trackers, mounting structures, tracker controls
- Factory testing of inverters and transformers by the manufacturer
- PV source open-circuit measurements—VOC at combiner boxes
- Fuse tests
- Termination pull testing
- All visual inspections
- Grounding continuity testing
- Earth-ground resistivity testing
- PV module inspection and manufacturer documentation of factory test per the manufacturer's existing program
- Metering and instrumentation calibration testing
- Step-up transformer field testing
- Inverter phase rotation and matching with utility
- Relay settings/transfer trip/etc. at the point of interconnection to Owner
- Other Contractor-prescribed procedures

All QA/QC testing procedures onsite shall be witnessed and documented by a qualified representative of Contractor. Owner shall observe and witness QA/QC as necessary and at its discretion. A qualified field engineer/QA representative of Contractor shall date and sign documentation indicating completion and acceptance of each onsite QA/QC test procedures.

Following installation, Contractor shall provide a proposed commissioning and startup plan for the Plant.

Contractor shall coordinate with Owner to develop an acceptable commissioning plan that includes a checkout and startup procedure. This work will assure: that systems are activated in a manner that is safe for personnel as well as for the equipment, that Contractor work is complete and according to the contract documents, and that the systems perform as required by the contract documents and are ready to be turned over to Owner. As the construction and installation of the systems nears completion, Contractor shall prepare punch lists and conduct system walk-downs, sub-system and system checkouts, startups, testing, and turnovers.

The final approved Commissioning Procedures shall, at minimum, include the following:

- Safety plan during startup and commissioning
- Review of all QA/QC testing on the DC and AC sides of inverters
- Detailed procedure for PV Plant startup, including switching sequencing
- Confirm testing and energizing inverters in conformance with manufacturer's recommended procedures; note operating voltages; and confirm inverter is performing as expected
- Under full sun conditions, and after at least 15 minutes of operation, taking and recording PV Plant operating data—such as but not limited to MWDC, MWAC, VDC, VAC, IDC, IAC, Solar Radiation, etc.
- Testing the system control and monitoring system to verify that it is performing correctly
- Testing the communication system for offsite monitoring

- Testing the Plant metering and protective relaying in conjunction with the utility during energization procedures
- Detailed procedure for interface and initialization with the grid
- Documentation of successful startup and commissioning procedure
- Written notification submitted by Contractor to Owner that the completion of Commissioning has occurred

Upon successful completion of energizing and startup, the Plant will be considered operable.

EXHIBIT F
SELLER AUTHORIZATION TO RELEASE
GENERATION DATA TO PACIFICORP

See Attached Letter

Seller Authorization to Release Generation Data to PacifiCorp

Transmission Services
Attn: Senior Vice President, Transmission Services
825 NE Multnomah, Suite 1600
Portland, OR 97232

RE: Pendleton Interconnection Request

Dear Sir:

Pendleton Solar, LLC hereby voluntarily authorizes PacifiCorp's Transmission business unit to share Pendleton Solar LLC's generator interconnection information and generator meter data with Marketing Affiliate employees of PacifiCorp Energy, including, but not limited to those in the Commercial and Trading group. Pendleton Solar LLC acknowledges that PacifiCorp did not provide it any preferences, either operational or rate-related, in exchange for this voluntary consent.



Name

President
Title

05/08/14
Date

EXHIBIT G
SCHEDULE 37 AND PRICING SUMMARY TABLE

| | On-Peak (cents/kWh) | Off-Peak (cents/kWh) |
|------|------------------------|-------------------------|
| 2016 | 3.85 | 2.84 |
| 2017 | 4.06 | 3.01 |
| 2018 | 4.33 | 3.20 |
| 2019 | 4.55 | 3.41 |
| 2020 | 4.78 | 3.84 |
| 2021 | 4.92 | 4.25 |
| 2022 | 5.58 | 4.83 |
| 2023 | 5.79 | 5.02 |
| 2024 | 8.84 | 7.36 |
| 2025 | 9.01 | 7.49 |
| 2026 | 9.17 | 7.64 |
| 2027 | 9.34 | 7.78 |
| 2028 | 9.52 | 7.94 |
| 2029 | 9.68 | 8.11 |
| 2030 | 9.85 | 8.28 |
| 2031 | 10.03 | 8.46 |

Available

To owners of Qualifying Facilities making sales of electricity to the Company in the State of Oregon.

Applicable

For power purchased from Qualifying Facilities with a nameplate capacity of 10,000 kW or less or that, together with any other electric generating facility using the same motive force, owned or controlled by the same person(s) or affiliated person(s), and located at the same site, has a nameplate capacity of 10,000 kW or less. Owners of these Qualifying Facilities will be required to enter into a written power sales contract with the Company.

Definitions

Cogeneration Facility

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

Qualifying Facilities

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Qualifying Electricity

Electricity that meets the requirements of "qualifying electricity" set forth in the Oregon Renewable Portfolio Standards: ORS 469A.010, 469A.020, and 469A.025.

Renewable Qualifying Facility

A Qualifying Facility that generates Qualifying Electricity.

Wind Qualifying Facility

A Renewable Qualifying Facility that generates Qualifying Electricity using wind as its motive force.

Baseload Renewable Qualifying Facility

A Renewable Qualifying Facility that generates Qualifying Electricity using any qualifying resource other than wind or solar.

Small Power Production Facility

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

On-Peak Hours or Peak Hours

On-Peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Due to the expansions of Daylight Saving Time (DST) as adopted under Section 110 of the U.S. Energy Policy Act of 2005, the time periods shown above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April and for the period between the last Sunday in October and the first Sunday in November.

(continued)

Definitions (continued)**Off-Peak Hours**

All hours other than On-Peak.

Excess Output

Excess Output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Nameplate Capacity. PacifiCorp shall pay Seller the Off-Peak Price as described and calculated under pricing option 4 (Non-Firm Market Index Avoided Cost Price) for all Excess Output.

Same Site

Generating facilities are considered to be located at the same site as the QF for which qualification for the standard rates and standard contract is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the standard rates and standard contract is sought.

Person(s) or Affiliated Person(s)

A natural person or persons or any legal entity or entities sharing common ownership, management or acting jointly or in concert with or exercising influence over the policies or actions of another person or entity. Two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) solely because they are developed by a single entity. Two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) if such common person or persons is a "passive investor" whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent family-owned or community-based projects. A unit of Oregon local government may also be a "passive investor" in a community-based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.

Shared Interconnection and Infrastructure

QFs otherwise meeting the separate ownership test and thereby qualified for entitlement to the standard rates and standard contract will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs qualifying for the standard rates and standard contract so long as the use of the shared interconnection complies with the interconnecting utility's safety and reliability standards, interconnection contract requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility's approved standard contract.

Dispute Resolution

Upon request, the QF will provide the purchasing utility with documentation verifying the ownership, management and financial structure of the QF in reasonably sufficient detail to allow the utility to make an initial determination of whether or not the QF meets the above-described criteria for entitlement to the standard rates and standard contract.

(continued)

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS****Dispute Resolution (continued)**

Any dispute concerning a QF's entitlement to the standard rates and standard contract shall be presented to the Commission for resolution.

Self Supply Option

Owner shall elect to sell all Net Output to PacifiCorp and purchase its full electric requirements from PacifiCorp or sell Net Output surplus to its needs at the Facility site to PacifiCorp and purchase partial electric requirements service from PacifiCorp, in accordance with the terms and conditions of the power purchase agreement and the appropriate retail service.

Pricing Options**1. Standard Fixed Avoided Cost Prices**

Prices are fixed at the time that the contract is signed by both the Qualifying Facility and the Company and will not change during the term of the contract. Standard Fixed Avoided Cost Prices are available for a contract term of up to 15 years and prices under a longer term contract (up to 20 years) will thereafter be under the Firm Market Indexed Avoided Cost Price. The Standard Fixed Avoided Cost pricing option is available to all Qualifying Facilities. The Standard Fixed Avoided Cost Price for Wind Qualifying Facilities will reflect integration costs as set forth on page 5.

2. Renewable Fixed Avoided Cost Prices

Prices are fixed at the time that the contract is signed by both the Renewable Qualifying Facility and the Company and will not change during the term of the contract. Renewable Fixed Avoided Cost Prices are available for a contract term of up to 15 years and prices under a longer term contract (up to 20 years) will thereafter be under the Firm Market Indexed Avoided Cost Price. The Renewable Fixed Avoided Cost pricing option is available only to Renewable Qualifying Facilities. A Renewable Qualifying Facility choosing the Renewable Fixed Avoided Cost pricing option must cede all Green Tags generated by the facility, as defined in the standard contract, to the Company during the Renewable Resource Deficiency Period identified on page 6, except that a Renewable Qualifying Facility retains ownership of all Environmental Attributes generated by the facility, as defined in the standard contract, during the Renewable Resource Sufficiency Period identified on page 6 and during any period after the first 15 years of a longer term contract (up to 20 years).

3. Firm Market Indexed Avoided Cost Prices

Firm Market Index Avoided Cost Prices are available to Qualifying Facilities that contract to deliver firm power. Monthly on-peak / off-peak prices paid are a blending of Intercontinental Exchange (ICE) Day Ahead Power Price Report at market hubs for on-peak and off-peak prices. The monthly blending matrix is available upon request.

4. Non-Firm Market Index Avoided Cost Prices

Non-Firm Market Index Avoided Cost Prices are available to Qualifying Facilities that do not elect to provide firm power. Qualifying Facilities taking this option will have contracts that do not include minimum delivery requirements, default damages for construction delay or, for under delivery or early termination, or default security for these purposes. Monthly On-Peak / Off-Peak prices paid are 93 percent of a blending of ICE Day Ahead Power Price Report at market hubs for on-peak and off-peak firm index prices. The monthly blending matrix is available upon request. The Non-Firm Market Index Avoided Cost pricing option is available to all Qualifying Facilities. The Non-Firm Market Index Avoided Cost Price for Wind Qualifying Facilities will reflect integration costs.

(continued)

Monthly Payments

A Qualifying Facility shall select the option of payment at the time of signing the contract under one of the Pricing Options specified above. Once an option is selected the option will remain in effect for the duration of the Facility's contract.

Renewable or Standard Fixed Avoided Cost Prices

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at the renewable or standard fixed prices as provided in this schedule. On-Peak and Off-Peak are defined in the definitions section of this schedule.

Firm Market Indexed and Non-Firm Market Index Avoided Cost Prices

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at the market prices calculated at the time of delivery. On-Peak and Off-Peak are defined in the definitions section of this schedule.

(continued)

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**
Avoided Cost Prices
Standard Fixed Avoided Cost Prices

| Fixed Prices ¢/kWh | | | Standard Fixed Avoided Cost Prices | | | |
|--|----------------------------|-----------------------------|------------------------------------|-----------------------------|----------------------------|-----------------------------|
| Deliveries During Calendar Year | Base Load QF (1) | | Wind QF (2) | | Solar QF | |
| | On-Peak Energy Price | Off-Peak Energy Price | On-Peak Energy Price | Off-Peak Energy Price | On-Peak Energy Price | Off-Peak Energy Price |
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 2014 | 3.98 | 2.62 | 3.71 | 2.35 | 3.98 | 2.62 |
| 2015 | 3.94 | 2.86 | 3.67 | 2.59 | 3.94 | 2.86 |
| 2016 | 3.85 | 2.84 | 3.58 | 2.57 | 3.85 | 2.84 |
| 2017 | 4.06 | 3.01 | 3.79 | 2.73 | 4.06 | 3.01 |
| 2018 | 4.33 | 3.20 | 4.04 | 2.92 | 4.33 | 3.20 |
| 2019 | 4.55 | 3.41 | 4.26 | 3.12 | 4.55 | 3.41 |
| 2020 | 4.78 | 3.84 | 4.48 | 3.54 | 4.78 | 3.84 |
| 2021 | 4.92 | 4.25 | 4.62 | 3.95 | 4.92 | 4.25 |
| 2022 | 5.58 | 4.83 | 5.28 | 4.53 | 5.58 | 4.83 |
| 2023 | 5.79 | 5.02 | 5.48 | 4.71 | 5.79 | 5.02 |
| 2024 | 6.97 | 3.91 | 3.72 | 3.59 | 4.32 | 3.91 |
| 2025 | 7.11 | 4.00 | 3.81 | 3.68 | 4.42 | 4.00 |
| 2026 | 7.31 | 4.13 | 3.94 | 3.80 | 4.56 | 4.13 |
| 2027 | 7.52 | 4.29 | 4.09 | 3.96 | 4.73 | 4.29 |
| 2028 | 7.74 | 4.44 | 4.24 | 4.11 | 4.89 | 4.44 |
| 2029 | 8.00 | 4.64 | 4.44 | 4.30 | 5.10 | 4.64 |
| 2030 | 8.25 | 4.83 | 4.62 | 4.48 | 5.30 | 4.83 |
| 2031 | 8.42 | 4.93 | 4.72 | 4.57 | 5.40 | 4.93 |
| 2032 | 8.59 | 5.03 | 4.81 | 4.66 | 5.51 | 5.03 |
| 2033 | 8.76 | 5.13 | 4.91 | 4.75 | 5.62 | 5.13 |
| 2034 | 8.94 | 5.23 | 5.01 | 4.85 | 5.74 | 5.23 |
| 2035 | 9.11 | 5.33 | 5.10 | 4.94 | 5.84 | 5.33 |
| 2036 | 9.30 | 5.44 | 5.21 | 5.05 | 5.97 | 5.44 |
| 2037 | 9.50 | 5.56 | 5.32 | 5.16 | 6.09 | 5.56 |
| 2038 | 9.70 | 5.68 | 5.44 | 5.27 | 6.22 | 5.68 |
| 2039 | 9.90 | 5.80 | 5.55 | 5.38 | 6.35 | 5.80 |
| 2040 | 10.11 | 5.91 | 5.66 | 5.48 | 6.48 | 5.91 |

- (1) Capacity Contribution to Peak for Avoided Proxy Resource and Base Load Qualifying Facility resource are assumed 100%.
- (2) The standard avoided cost price for wind is reduced by an integration charge of \$2.55/MWh (\$2012). If Wind Qualifying Facility is not in PacifiCorp's balancing authority area, then no reduction is required.

(continued)

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**
Avoided Cost Prices (Continued)
Renewable Fixed Avoided Cost Prices

| Fixed Prices ¢/kWh | | | Renewable Fixed Avoided Cost Prices | | | |
|--|----------------------------|-----------------------------|-------------------------------------|-----------------------------|----------------------------|-----------------------------|
| Deliveries During Calendar Year (1) | Base Load Renewable QF (2) | | Wind QF (3,4) | | Solar QF (5) | |
| | On-Peak Energy Price | Off-Peak Energy Price | On-Peak Energy Price | Off-Peak Energy Price | On-Peak Energy Price | Off-Peak Energy Price |
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 2014 | 3.98 | 2.62 | 3.71 | 2.35 | 3.98 | 2.62 |
| 2015 | 3.94 | 2.86 | 3.67 | 2.59 | 3.94 | 2.86 |
| 2016 | 3.85 | 2.84 | 3.58 | 2.57 | 3.85 | 2.84 |
| 2017 | 4.06 | 3.01 | 3.79 | 2.73 | 4.06 | 3.01 |
| 2018 | 4.33 | 3.20 | 4.04 | 2.92 | 4.33 | 3.20 |
| 2019 | 4.55 | 3.41 | 4.26 | 3.12 | 4.55 | 3.41 |
| 2020 | 4.78 | 3.84 | 4.48 | 3.54 | 4.78 | 3.84 |
| 2021 | 4.92 | 4.25 | 4.62 | 3.95 | 4.92 | 4.25 |
| 2022 | 5.58 | 4.83 | 5.28 | 4.53 | 5.58 | 4.83 |
| 2023 | 5.79 | 5.02 | 5.48 | 4.71 | 5.79 | 5.02 |
| 2024 | 11.48 | 7.36 | 8.24 | 7.05 | 8.84 | 7.36 |
| 2025 | 11.70 | 7.49 | 8.39 | 7.17 | 9.01 | 7.49 |
| 2026 | 11.91 | 7.64 | 8.54 | 7.31 | 9.17 | 7.64 |
| 2027 | 12.14 | 7.78 | 8.71 | 7.45 | 9.34 | 7.78 |
| 2028 | 12.36 | 7.94 | 8.87 | 7.61 | 9.52 | 7.94 |
| 2029 | 12.58 | 8.11 | 9.02 | 7.77 | 9.68 | 8.11 |
| 2030 | 12.81 | 8.28 | 9.18 | 7.93 | 9.85 | 8.28 |
| 2031 | 13.05 | 8.46 | 9.34 | 8.10 | 10.03 | 8.46 |
| 2032 | 13.29 | 8.66 | 9.51 | 8.30 | 10.21 | 8.66 |
| 2033 | 13.53 | 8.87 | 9.68 | 8.50 | 10.39 | 8.87 |
| 2034 | 13.79 | 9.07 | 9.86 | 8.69 | 10.58 | 9.07 |
| 2035 | 14.04 | 9.27 | 10.03 | 8.89 | 10.78 | 9.27 |
| 2036 | 14.32 | 9.49 | 10.23 | 9.09 | 10.99 | 9.49 |
| 2037 | 14.59 | 9.72 | 10.42 | 9.32 | 11.19 | 9.72 |
| 2038 | 14.87 | 9.96 | 10.60 | 9.55 | 11.39 | 9.96 |
| 2039 | 15.15 | 10.21 | 10.80 | 9.79 | 11.60 | 10.21 |
| 2040 | 15.47 | 10.43 | 11.02 | 10.00 | 11.85 | 10.43 |

(1) For the purpose of determining: (1) when the Renewable Qualifying Facility is entitled to renewable avoided cost prices; and (2) the ownership of Environmental Attributes and the transfer of Green Tags to PacifiCorp, the Renewable Resource Sufficiency Period ends December 31, 2023, and the Renewable Resource Deficiency Period begins January 1, 2024.

(2) The renewable avoided cost price during the Renewable Resource Deficiency Period (2024-2040) has been increased by an integration charge of \$2.55/MWh (\$2012).

(3) During the Renewable Resource Deficiency Period, the renewable avoided cost price for a Wind Qualifying Facility will be adjusted by adding the difference between the avoided integration costs and the Qualifying Facility's integration costs. If the Wind Qualifying Facility is in PacifiCorp's balancing authority area (BAA), the adjustment is zero (integration costs cancel each other out). If the Wind Qualifying Facility is not in PacifiCorp's BAA, \$2.55/MWh (\$2012) will be added for avoided integration charges.

(4) During Renewable Resource Sufficiency Period, the renewable avoided cost price for a Wind Qualifying Facility has been reduced by an integration charge of \$2.55/MWh (\$2012) for Wind Qualifying Facilities located in PacifiCorp's BAA (in-system). If a Wind Qualifying Facility is not in PacifiCorp's BAA, \$2.55/MWh (\$2012) will be added for avoided integration charges.

(5) The renewable avoided cost payment during the Renewable Resource Deficiency Period (2024-2040) has been increased by an integration charge of \$2.55/MWh (\$2012).

(continued)

Qualifying Facilities Contracting Procedure

Interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (PacifiCorp Commercial and Trading).

It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to allow time for studies, negotiation of agreements, engineering, procurement, and construction of the required interconnection facilities. Early application for interconnection will help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

1. Qualifying Facilities up to 10,000 kW

APPLICATION: To owners of existing or proposed QFs with a design capacity less than or equal to 10,000 kW who desire to make sales to the Company in the state of Oregon. Such owners will be required to enter into a written power purchase agreement with the Company pursuant to the procedures set forth below.

I. Process for Completing a Power Purchase Agreement

A. Communications

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

PacifiCorp
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

(continued)

B. Procedures

1. The Company's approved generic or standard form power purchase agreements may be obtained from the Company's website at www.pacificorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request.
2. In order to obtain a project specific draft power purchase agreement the owner must provide in writing to the Company, general project information required for the completion of a power purchase agreement, including, but not limited to:
 - (a) demonstration of ability to obtain QF status;
 - (b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system;
 - (c) generation technology and other related technology applicable to the site;
 - (d) proposed site location;
 - (e) schedule of monthly power deliveries;
 - (f) calculation or determination of minimum and maximum annual deliveries;
 - (g) motive force or fuel plan;
 - (h) proposed on-line date and other significant dates required to complete the milestones;
 - (i) proposed contract term and pricing provisions as defined in this Schedule (i.e., standard fixed price, renewable fixed price);
 - (j) status of interconnection or transmission arrangements;
 - (k) point of delivery or interconnection;
3. The Company shall provide a draft power purchase agreement when all information described in Paragraph 2 above has been received in writing from the QF owner. Within 15 business days following receipt of all information required in Paragraph 2, the Company will provide the owner with a draft power purchase agreement including current standard avoided cost prices and/or other optional pricing mechanisms as approved by the Public Utility Commission of Oregon in this Schedule 37.
4. If the owner desires to proceed with the power purchase agreement after reviewing the Company's draft power purchase agreement, it may request in writing that the Company prepare a final draft power purchase agreement. In connection with such request, the owner must provide the Company with any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft power purchase agreement. Within 15 business days following receipt of all information requested by the Company in this paragraph 4, the Company will provide the owner with a final draft power purchase agreement.

(continued)

B. Procedures (continued)

5. After reviewing the final draft power purchase agreement, the owner may either prepare another set of written comments and proposals or approve the final draft power purchase agreement. If the owner prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals.

6. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner within 15 business days, a final executable version of the agreement. Following the Company's execution a completely executed copy will be returned to the owner. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties.

II. Process for Negotiating Interconnection Agreements

[NOTE: Section II applies only to QFs connecting directly to PacifiCorp's electrical system. An off-system QF should contact its local utility or transmission provider to determine the interconnection requirements and wheeling arrangement necessary to move the power to PacifiCorp's system.]

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon the QF completing all necessary interconnection arrangements. It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (including but not limited to PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (including but not limited to PacifiCorp's Commercial and Trading Group).

(continued)

II. Process for Negotiating Interconnection Agreements (continued)**A. Communications**

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

PacifiCorp
Director – Transmission Services
825 NE Multnomah St, Suite 1600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's transmission function who will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) undertaking studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, and (3) executing an interconnection agreement to address facility construction, testing, acceptance, ownership, operation and maintenance issues. Consistent with PURPA and Oregon Public Utility Commission regulations, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis. For interconnections impacting the Company's Transmission and Distribution System, the Company will process the interconnection application through PacifiCorp Transmission Services.

EXHIBIT H
GREEN TAG ATTESTATION AND BILL OF SALE

Subject to Green Tags ownership as defined in Section 5.5, from the period commencing on ____ and ending on _____, _____ ("Seller") hereby sells, transfers and delivers to PacifiCorp the Green Tags (including all Green Tag Reporting Rights) associated with the generation of Net Output under the Power Purchase Agreement (Renewable Energy) between Seller and PacifiCorp dated [_____] (the "PPA"), as described below, in the amount of one Green Tag for each megawatt hour generated. Defined terms used in this Green Tag Attestation and Bill of Sale (as indicated by initial capitalization) shall have the meaning set forth in the PPA.

Facility name and location: _____ Fuel Type: _____

Capacity (MW): _____ Operational Date: _____

Energy Admin. ID no.: _____

| Dates | MWh generated |
|-------|---------------|
|-------|---------------|

| | |
|-------|-------|
| _____ | _____ |
|-------|-------|

Seller further attests, warrants and represents, under penalty of perjury, as follows:

- i) to the best of its knowledge, the information provided herein is true and correct;
- ii) its sale to PacifiCorp is its one and only sale of the Green Tags referenced herein;
- iii) the Facility generated Output in the amount indicated above; and
- iv) to the best of Seller's knowledge, each of the Green Tags associated with the generation Output have been generated and sold by the Facility.

This Green Tag Attestation and Bill of Sale confirms, in accordance with the PPA, the transfer from Seller to PacifiCorp all of Seller's right, title and interest in and to the Green Tags (including Green Tag Reporting Rights), as set forth above.

Seller's Contact Person: [_____]

WITNESS MY HAND,

a _____

By _____

Its _____

Date: _____

This Attestation may be disclosed by Seller and PacifiCorp to others, including the Center for Resource Solutions and the public utility commissions having jurisdiction over PacifiCorp, to substantiate and verify the accuracy of PacifiCorp's advertising and public communication claims, as well as in PacifiCorp's advertising and other public communications.