

AMENDMENT NO. 1 TO POWER PURCHASE AGREEMENT

BETWEEN

BOX CANYON LIMITED PARTNERSHIP

AND

PACIFIC POWER & LIGHT COMPANY

THIS AMENDMENT NO. 1 is entered into this 20th day of December, 1990. Siskiyou County Flood Control and Water Conservation District ("District") and Pacific Power & Light Company ("Pacific") previously have entered into a Power Purchase Agreement dated March 14, 1983 ("Agreement"). Subsequently, the Agreement was assigned by District to the Siskiyou Power Authority, which later assigned the Agreement to Box Canyon Limited Partnership ("Seller"). Pacific and Seller amended the Agreement by a Letter Agreement dated January 12, 1987 ("Letter Agreement"). Pacific and Seller wish to amend the Agreement to incorporate the terms of the Letter Agreement and to make other changes.

Now, THEREFORE, the parties agree to amend the Agreement as follows:

ARTICLE I: DEFINITIONS

Paragraph (A) is amended to read in its entirety as follows:

"(A) "Base Net Metered Output" means the minimum amount of Net Metered Output Seller shall deliver to Pacific pursuant to Article III(B);"

Paragraph (G) is amended to read in its entirety as follows:

"(G) "Net Metered Output" is all energy and capacity produced by the Facility as determined at the Point of Delivery and less a reduction as provided in Article V(A) for transformer losses."

ARTICLE III: DELIVERY OF POWER

Paragraphs (B), (C) and (D) are deleted in their entirety and replaced by the following new paragraph (B):

"(B) This paragraph shall become effective beginning with Contract Year 2011, provided that after January 1, 2011, the District may make a one-time election to cancel the provisions of this paragraph for the full Contract Year in which such election is made and all subsequent Contract Years by providing written notice to Pacific not later than January 31, 2011, or January 31 of any subsequent Contract Year.

- (1) Seller shall deliver to Pacific the amounts of Base Net Metered Output for the Contract Years set forth in subparagraph (3), below, and Pacific shall pay Seller therefore the prices specified in Article IV regardless of whether such deliveries actually are made during such Contract Year; provided, however, that should Seller deliver less than 50 percent of the annual Base Net Metered Output in four consecutive Contract Years, Pacific may discontinue its payment obligation to Seller under this paragraph.
- (2) Should Seller fail to deliver in full the amount of Base Net Metered Output specified in subparagraph (3) below, in any Contract Year, Seller shall deliver such Deficiency Energy at no charge to Pacific during the first portion of the following Contract Year. Deliveries of Deficiency Energy shall not be included in determining Seller's deliveries of Base Net Metered Output in any Contract Year. In the event that the amount of Deficiency Energy from any immediately prior Contract Year is not delivered in the following Contract Year, the amount of any Deficiency Energy remaining at the end of such following Contract Year shall become overdue and shall be carried forward to the succeeding Contract Year, and Seller shall deliver 114.9 percent of the overdue Deficiency Energy in the first Contract Year thereafter in which it is possible to deliver the overdue Deficiency Energy (subject to the condition that all energy delivered shall be credited first to make up any overdue Deficiency Energy), provided, however, that Seller shall have the option to pay Pacific for any overdue Deficiency Energy at the price shown in Article IV(C) for the Contract Year next following the Contract Year in which such Deficiency Energy was accumulated. In the event that Seller elects to pay Pacific for the Deficiency Energy accumulated in any Contract Year, such Contract Year shall not be considered in the discontinuance of Pacific's payment obligations pursuant to subparagraph (1) above.

- (3) The amount of Base Net Metered Output required for each month of each Contract Year are set forth below:

<u>Contract Year</u>	<u>Monthly Base Net Metered Output (kWh)</u>
2011	1,016,000
2012	986,000
2013	956,000
2014	924,000
2015	895,000
2016	865,000
2017	835,000
2018	806,000
2019	777,000

- (4) Seller shall pay Pacific not later than December 31, 2020, for any Deficiency Energy which has not been delivered to Pacific, or for which Seller has not paid Pacific, at the price shown in Article IV(C) for Contract Year 2020."

ARTICLE V: PAYMENTS AND COMPUTATIONS

Paragraph V(A) is deleted in its entirety and replaced by the following:

(A) Pacific shall provide Seller with computations of Net Metered Output within 30 days of Pacific's monthly meter reading and shall concurrently therewith make payments therefore in accordance with the terms and conditions of Article IV, to the address specified in Article VII(C) below. Such computations of Net Metered Output shall include a reduction of 0.70 percent (Energy Loss Adjustment Factor), to give full effect for transformer losses described in Article I(G) herein, effective January 1, 1991. No sooner than January 1, 1994, at the request of either Pacific or Seller, the Energy Loss Adjustment Factor may be recalculated using the methodology set forth in Exhibit A attached hereto. Within sixty days following the recalculation of the Energy Loss Adjustment Factor, such factor will be provided to both parties and will be used for computing future values of the Net Metered Output, effective with the next subsequent monthly meter reading. Subsequent recalculations, if any, of the Energy Loss Adjustment Factor will be made no sooner than 5 years following the last date for which the Energy Loss Adjustment Factor became effective. The cost of recalculating the Energy Loss Adjustment Factor will be paid by the party requesting the recalculation. Any recalculation will be provided to the party not requesting the recalculation.

ARTICLE VI: NOTICES AND DIRECTION OF PAYMENTS

The names and addresses of the parties to which written notices shall be directed and mailed are amended as follows:

To Seller: Box Canyon Limited Partnership
c/o Synergics, Inc.
191 Main Street
Annapolis, Maryland 21401; and

Box Canyon Limited Partnership
c/o Trust Company of the West, as Trustee
101 California Street, Suite #3275
ATTN: Susan Morse
San Francisco, CA 94111

To Pacific: Manager, Small Power Acquisitions
Pacific Power & Light Company
920 S.W. Sixth Avenue
Portland, Oregon 97204

Payments for energy and capacity delivered under this Agreement shall be mailed to:

Box Canyon Limited Partnership
c/o Synergics, Inc.
191 Main Street
Annapolis, Maryland 21401

ARTICLE VIII: INTERCONNECTION

1. Paragraph (C) is deleted in its entirety and replaced by the following:

"(C) As of the date of this Amendment Seller has reimbursed Pacific for all of Pacific's current costs associated with services and the installation of facilities and equipment on Pacific's system to accommodate Seller's deliveries, and to reinforce Pacific's system for the purposes of this Agreement. In the event that it becomes necessary for Pacific to perform any additional services or install any additional facilities or equipment on Pacific's system to accommodate Seller's deliveries, or to further reinforce Pacific's system for purposes of this Agreement, Seller shall pay Pacific for all of Pacific's costs associated therewith."

2. The following Paragraph (D) is added:

"(D) The ownership of the transmission facilities between Seller's transformation substation and Pacific's 69 kV COPCO 2-Delta transmission line, including the assignment of associated right-of-way, has been transferred by Seller to Pacific. As of March 19, 1990, Seller's obligation to make payments to Pacific for Pacific's operation and maintenance shall cease and Pacific shall assume such obligation thereafter for such transmission facilities."

3. The following Paragraph (E) is added:

"Seller's Interconnection Equipment shall include a line relay control cabinet, which shall be locked by Pacific and accessible only to Pacific or to Seller upon Pacific's approval."

ARTICLE XII: LIABILITY AND INSURANCE

1. Paragraph (D) is deleted in its entirety and replaced by the following:

"(D) Seller shall provide Pacific with a copy of each insurance policy required under this Article, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of Pacific, in lieu thereof, a certificate in a form satisfactory to Pacific certifying to the issuance of such insurance. Seller shall submit such documents at the address listed in Article VI prior to connection of the Facility to Pacific's system and at all other times such insurance policies are renewed or changed."

2. A new Paragraph (E) is added as follows:

"(E) In the event that Pacific performs any tasks hereunder by a separate or ancillary agreement, Pacific may require additional indemnification and liability release from Seller."

ARTICLE XVI: CONTINUITY OF DELIVERIES

The last sentence of Article XVI is deleted in its entirety and replaced by the following:

"In such circumstances, Pacific shall notify (1) Seller's monitoring operator at (916)926-6836; if no answer, Pacific will then contact (2) Seller's alternate monitoring operator at (916)926-5682 or (916)926-8116; if still no answer, Pacific will proceed to take action as necessary as described herein. Phone numbers can be changed by Seller by giving written notice to Pacific. Pacific shall not be obligated to accept deliveries of, or pay Seller for, Net Metered Output that otherwise would have been delivered during such period of curtailment, interruption, or reduction.

ARTICLE XXIII: GOVERNMENTAL JURISDICTION AND AUTHORIZATION

Paragraph (B) is deleted in its entirety.

In addition to the amendments of the Agreement as provided above, Pacific and Seller release each other from any and all claims that it might have as of this date against the other arising out of any acts or omissions in connection with delivery of or payment for Net Metered Output under the Agreement or arising from the cost of interconnection facilities.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be executed in their respective names as of the date first above written. This Amendment No. 1, together with the Agreement, constitute the full agreement of the parties and supercedes the Letter Agreement.

BOX CANYON LIMITED PARTNERSHIP
By Synergics, Inc.,
its General Partner

By: [Signature]
Title: Vice President

PACIFIC POWER & LIGHT COMPANY

By: [Signature]
Vice President

[Handwritten initials]

The undersigned hereby acknowledges and consents to the foregoing Amendments. This acknowledgement and consent shall not be construed as requiring any further acknowledgement or consent to any other waiver or amendment of the Agreement.

SISKIYOU POWER AUTHORITY

By: Roger Zwanziger
Title: _____

Exhibit A

Calculation of the Energy Loss Adjustment Factor

The following calculation shows the methodology for determining the Energy Loss Adjustment Factor associated with the power flows to Pacific's 69 kV Transmission System from the Lake Siskiyou Power Project pursuant to the March 14, 1983 Power Purchase Agreement as amended on September __, 1990.

Lake Siskiyou Generator Output Information
Average Energy = 15,100,000 kWh 8,760 Hours

Input At: Lake Siskiyou Meter
Demonstrated Capacity = 5,000.00 kW
Power Factor = 90.00%
Load Factor = 34.47%
Loss Factor = 18.66%

Lake Siskiyou 69-4.16 kV Transformer Losses
No Load Loss = 8.66 kW
Full Load Loss = 28.72 kW
% Excitation Current = 0.30%
% Impedance = 7.70%
Nameplate Rating = 6,000 kVA

At Lake Siskiyou Transformer 4.16 kV bus:
Lake Siskiyou Transformer Input =
5,000.00 kW + j 2,421.61 kVAR = 5,555.56 kVA

Transformer Rated Losses
Fixed = 8.66 kW + j 15.78 kVAR
Variable = 28.72 kW + j 461.11 kVAR

Lake Siskiyou Transformer Losses
Fixed = 8.66 kW + j 15.78 kVAR
Variable = 24.62 kW + j 395.32 kVAR

At Lake Siskiyou 69 kV bus:
Lake Siskiyou Transformer Output =
4,966.72 kW + j 2,010.51 kVAR = 5,358.21 kVA

Demand Adjusting Factor = 0.9933

Lake Siskiyou Transformer Monthly Energy Input=1,258,333 kWh
Lake Siskiyou Transformer Monthly Energy Loss = 9,676 kWh

Energy Adjusting Factor = 0.9923

Energy Loss Adjustment Factor = 1-0.9923 = 0.0077