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01-4042-54714-668
01-2321-23235

SECOND AMENDMENT CONTRACT 2013-P00052B
RENEWABLE POWER PURCHASE AND OPERATING AGREEMENT
BETWEEN
SOLARBLUE BEMOGA, LLC AND
PUERTO RICO ELECTRIC POWER AUTHORITY

APPEAR

AS FIRST PARTY: Puerto Rico Electric Power Authority, hereinafter referred to as PREPA, a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, engineer Juan Francisco Alicea Flores, of legal age, married, and resident of Caguas, Puerto Rico.

AS SECOND PARTY: SOLARBLUE BEMOGA, LLC, hereinafter referred to as "Seller" with its principal office at 189 South Orange Ave. Suite 2100, Orlando, Florida, represented by its Owner and Managing Member, mister Lee J. Maher, of legal age, married and resident of Florida, who is duly authorized to execute this Agreement on behalf of Seller as certified by Resolution adopted by Its Board of Directors, dated March 19, 2014.

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the parties agree themselves, their personal representatives, and successors as follows:

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WHEREAS: The appearing parties executed on October 10, 2012 a Power Purchase and Operating Agreement (PPOA), as amended, for the development of a 20 MW photovoltaic solar energy system in Dorado, Puerto Rico (the Facility);

WHEREAS: The appearing parties executed on December 21, 2012 a First Amendment to the PPOA, the PPOA as amended is hereinafter referred to as the PPOA;

WHEREAS, the Parties hereby agree to amend certain provisions of the PPOA.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agrees as follows:

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1. Article 5, TERM, Sections 5.1 and 5.2 in the PPOA, are hereby amended by deleting, in each Section, the phrase "Twenty (20)" and replacing it with the phrase "Twenty-Five (25)", and change the language of the first sentence of Section 5.2, as follows: The Term of this Agreement may be extended by mutual agreement of the Parties for up to one period of five (5) Years, following the expiration of the initial Twenty Five Agreement Years Term.
2. Article 7, DISPATCHING, is deleted in its entirety and replaced by:

ARTICLE 7. DISPATCHING

- 7.1 PREPA agrees that the Facility will be designated as a "must run" unit (to the full extent of the contracted capacity of 20 MW) and will not be disconnected except to the extent necessary due to a Force Majeure or an Emergency that cannot be avoided or mitigated without the shutdown or disconnection of the Facility.
- 7.2 Notwithstanding Section 7.1, PREPA may require SELLER to disconnect the Facility or reduce the amount of Net Electrical Output by curtailment due to operating problems that may affect safety margins or reliability levels in PREPA's electrical system; provided, however, any reduction in the level of Net Electrical Output required by PREPA hereunder shall be based upon and implemented in a manner consistent with Prudent Utility Practices. PREPA shall not be entitled to reduce Net Electrical Output under this Agreement due to (a) economic factors, (b) any inconvenience or other condition not expressly included in the preceding sentence, (c) any condition of any nature including those specified in the preceding sentence if PREPA is not promptly and prudently seeking a remedy to cure in accordance with Prudent Electrical Practices, and (d) any other circumstance that can be mitigated by PREPA through economic means. Some of these situations may include but are not limited to; power quality problems in 7800 line, as well as outages and disconnections ("vias libres") of the abovementioned line or 38 kV Switchyard due to disturbances, maintenance and/or improvement.
- 7.3 Notwithstanding Sections 7.1 and 7.2 above PREPA may also disconnect the Facility when the following conditions are present: (a) the Facility fails to comply with the requirements of APPENDIX E, MINIMUM TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF PHOTOVOLTAIC (PV)

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FACILITIES. If PREPA has amended the requirements of APPENDIX E, then only if such amendment is applicable to the Facility pursuant to Section 9.13 and (x) the SELLER has received written notice of any such amendment; (y) SELLER has had an appropriate period of time to comply with any such amended requirement and (z) PREPA has agreed to reimburse SELLER for any costs in excess of the Modification Limit pursuant to Section 9.13; (b) SELLER fails to perform annual tests for compliance with the MINIMUM TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF PHOTOVOLTAIC (PV) FACILITIES as required in Section 12.2, and (c) SELLER fails to keep the Facility PSS/E mathematical models current with the future versions of the PSS/E program thirty (30) Days after a PSS/E version upgrade is notified in writing by PREPA to SELLER, provided however that: (i) the notice includes all the necessary technical information to update the models, and (ii) the upgrade of these models is feasible in that time period. For the avoidance of doubt, any disconnection due to (a) and (b) above may be of an extended or permanent nature if not cured by SELLER in a timely manner. Any disconnection shall end promptly after SELLER cures such non-compliance.

7.4 Following the Commercial Operation Date, SELLER will provide to PREPA a nonbinding estimate of short term, next Day and next week production, based on the previous Day production, estimated strength of the solar radiation the next Day and week and based on the meteorological forecast for the region and site. The Parties shall include in the Agreed Operating Procedures the procedures and protocols necessary for providing said estimates.

7.5 PREPA acknowledges no intent to reduce Net Electrical Output by curtailment or disconnection under this Agreement outside of those described in this Article 7 and Article 8.

3. Article 8, CONTROL AND OPERATION OF THE FACILITY, is deleted in its entirety and replaced by:

8.1 SELLER shall, at least sixty (60) Days prior to the Commercial Operation Date, submit a written schedule of Scheduled Outages ("Scheduled Outage Program") for the remaining portion of the first Year of the Facility's operations and, if the Commercial Operation

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Date occurs after September 1, for the following Year, setting forth the proposed Scheduled Outage periods. Thereafter, SELLER shall submit to PREPA, in writing, by September 1 of each Year, its proposed Scheduled Outage Program for the next Year.

- 8.2 SELLER shall use reasonable efforts to notify PREPA of any Non-Scheduled Outages at least twenty four (24) hours in advance and coordinate all Non-Scheduled Outages with PREPA.
- 8.3 If an Emergency is declared by PREPA, PREPA's dispatching centers may disconnect the Facility from PREPA's system, or reduce the Net Electrical Output by curtailment, to the extent permitted by Article 7. If a curtailment pursuant to Article 7 is declared by PREPA, PREPA's dispatching centers may curtail the Facility's output. The Facility will remain disconnected from PREPA's system, or curtailed, following an Emergency until SELLER has received permission to reconnect from PREPA's dispatching center. Any disconnection or reduction in the Facility's output required by PREPA under this Agreement shall be of no greater scope and of no longer duration than is required by the Emergency or operating condition pursuant to Article 7, consistent with Prudent Utility Practices. Upon an Emergency or curtailment pursuant to Article 7 that results in any disconnection or reduction in the Facility's output, PREPA shall, as soon as practicable after the occurrence of the Emergency or operating condition, provide written notice to SELLER describing the particulars of the occurrence and its estimated duration and shall diligently use all reasonable efforts, consistent with Prudent Utility Practices, to remedy the Emergency or operating condition. In any situation where PREPA causes a reduction of Net Electrical output or a disconnection of the Facility, PREPA shall treat the Facility no less favorably than other facilities connected to PREPA's grid on such occurrences.
- 8.4 PREPA shall have no liability to SELLER in connection with any disconnection or reduction in the Facility's output required by PREPA under Section 7.1, Section 7.2 or Section 8.3 unless (a) the Facility is otherwise capable of generating and delivering electrical output, (b) Seller has provided PREPA with written notice of such capability, and (c) the duration of any such disconnection or curtailment (or


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combination thereof) has exceeded the applicable waiting periods set forth in the next three sentences after delivery of SELLER's notice to PREPA. With respect to a disconnection or curtailment that is not attributable to severe weather conditions, the waiting period shall be the earliest to occur of (i) a maximum forty-eight (48) consecutive hours, (ii) forty-eight (48) hours in the aggregate during any thirty (30) Days period or (iii) four hundred eighty (480) hours in the aggregate during any Year. With respect to a disconnection or curtailment that is attributable to severe weather conditions, including a hurricane or tropical storm, the waiting period shall be the earlier to occur of (i) a maximum of two hundred forty (240) consecutive hours or (ii) three hundred (300) hours in the aggregate during any Year. To the extent a disconnection or curtailment (or combination thereof) exceeds any of the time periods described in the preceding sentences (as applicable), then, notwithstanding anything in this Agreement to the contrary, PREPA shall pay SELLER for each hour of the curtailed energy after the waiting period in accordance with Appendix F, DETERMINATION OF NET ELECTRICAL OUTPUT NOT RECEIVED. PREPA's liability pursuant to this Section 8.4 for any single disconnection or curtailment shall be offset by any insurance proceeds actually received by Seller from any business interruption insurance policy that Seller may obtain.

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8.5 Each Party shall cooperate with the other in establishing Emergency plans, including recovery from a local or widespread electrical blackout; voltage reduction in order to effect load curtailment; and other plans which may arise. SELLER shall make technical information and data available to PREPA concerning start-up times and black-start capabilities.

8.6 If the Facility has a Scheduled Outage or a Non-Scheduled Outage, and such Scheduled Outage or Non-Scheduled Outage occurs or would occur coincident with an Emergency, PREPA may request that SELLER shall make reasonable efforts, consistent with Prudent Utility Practices and with PREPA's approval, to reschedule the Scheduled Outage or Non-Scheduled Outage or if the Scheduled Outage or Non-Schedule Outage has begun, to expedite the completion thereof.



8.7 SELLER shall provide as a minimum at its expense the following communication facilities linking the Facility with PREPA's dispatching centers:

- (a) One Remote Terminal Unit ("RTU"), including setup installation and configuration; which shall be specified by PREPA.
- (b) Two independent telecommunication circuits. One voice grade to link the SCADA system to the facility RTU using DNP protocol through a designated PREPA communication node. A second fiber optic circuit to link PREPA's network to the facility in order to access protection equipment, revenue meters and the DSM, through the ruggedcom security device as specified by PREPA.
- (c) A voice telephone extension for the purpose of communicating with Monacillos TC and Ponce TC.
- (d) A telephone line and equipment to transmit and receive facsimile messages to confirm the oral communication between PREPA and SELLER.
- (e) A Dynamic System Monitor equipment in accordance with APPENDIX D - TECHNICAL SPECIFICATIONS FOR THE DYNAMIC SYSTEM MONITOR, for recording the power disturbance caused by electro-mechanic swings and to measure the system response to the swing disturbance.

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Items provided by SELLER in accordance with this Section 8.7 shall be subject to the approval of PREPA, which approval shall not be unreasonably withheld or delayed.

8.8 Each Party shall keep complete and accurate records and other data required for the proper administration of this Agreement.

- (a) All such records shall be maintained for a minimum of five (5) years after the preparation of such records or data and for any additional length of time required by regulatory agencies with jurisdiction over the Parties; provided, however, that neither Party shall dispose of or destroy any records without thirty (30) Days prior notice to the other Party. Within ten (10) Days after



receipt of the notice of intention to destroy or dispose, the other Party shall have the right to require the notifying Party in writing to retain and deliver to it certain records at its sole cost and expense. Any records so notified shall be delivered to the Party requesting their return in no more than ten (10) Days.

- (b) SELLER shall maintain an accurate and up-to-date operating log at the Facility with records of (i) real and reactive power for each hour, (ii) changes in operating status and Scheduled Outages, and (iii) any unusual conditions found during inspections.
- (c) Either Party shall have the right from time to time, upon fourteen (14) Days written notice to the other Party and during regular business hours, to examine the records and data of the other Party relating to the proper administration of this Agreement any time during the period the records are required to be maintained.

8.9 At PREPA's request, SELLER shall provide certifications of tests and inspections of the electric and protection equipment, which may impact PREPA's electrical system. PREPA shall have the right to visit and visually monitor the Facility during operation and testing, including any acceptance testing of the Facility.

4. Article 11, COMPENSATION, PAYMENT AND BILLINGS, Section 11.2 in the PPOA is hereby amended by deleting that Section in its entirety and replacing it with the following:

11.2 (a) Energy Payment - Beginning with the Pre-Operation Period and continuing throughout the Term of this Agreement:

EP = EPP x NEO (subject to annual escalation as set forth below)

Where:

EP is the Energy Payment

EPP is the Energy Purchase Price, which for the first Agreement Year shall be equal to \$0.1375 per kwh of NEO.

NEO is the Net Electrical Output expressed in kilowatt hours.

The Energy Purchase Price for Agreement Years 2 to 20 shall be escalated in an amount equal to two percent (2%). For Agreement Years 21 to 25 the Energy Purchase Price shall be \$0.1700/kWh, not subject to escalation.

(b) Green Credits Payment - Beginning with the Pre-Operation Period and continuing throughout the Term of this Agreement:

$$GCP = GCPP \times NEO$$

Where:

GCP is the Green Credits Payment

GCPP is the Green Credit Purchase Price, which shall be equal to \$0.020 per kWh of NEO for the Term. For the avoidance of doubt the Green Credit Purchase Price shall not be subject to escalation for the Term.

NEO is the Net Electrical Output expressed in kilowatt hours.

5. Substitution of Appendix B, INTERCONNECTION: effective as of the date hereof, Appendix B of the PPOA is hereby substituted and replaced in its entirety by Appendix B attached hereto.
6. Substitution of Appendix C, Example of Price Index Calculation: effective as of the date hereof, Appendix C of the PPOA is hereby substituted and replaced in its entirety by Appendix C, Amended- Energy Purchase Price, attached hereto.
7. Substitution of Appendix E, MINIMUM TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF PHOTOVOLTAIC (PV) FACILITIES: effective as of the date hereof, Appendix E of the PPOA is hereby substituted and replaced in its entirety by Appendix E, MINIMUM TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF PHOTOVOLTAIC (PV) FACILITIES, attached hereto. Any references in the PPOA to the Appendix E, is amended and replace with Appendix E, MINIMUM TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF PHOTOVOLTAIC (PV) FACILITIES.
8. Substitution of APPENDIX F, DETERMINATION OF NET ELECTRICAL OUPUT NOT RECEIVED, effective as of the date hereof, APPENDIX F of the PPOA is hereby substituted and replaced in its entirety by APPENDIX F, attached hereto.

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9. The above mentioned amendments apply to all terms and conditions of the PPOA, as applicable.

10. Representations and Warranties of each Party.

(a) PREPA hereby represents and warrants to SELLER: (i) the execution and delivery by PREPA of this Amendment, and the Amendment itself, have been duly authorized by PREPA's Governing Board and any other applicable PREPA governing body in accordance with applicable law, and (A) do not and will not require any additional internal or external consent or approval, (B) do not and will not violate any provision of Act No. 83 of May 2, 1941, as amended, or its regulations, or any material indenture, contract or agreement to which it is a party or by which its properties may be bound; and (ii) this Amendment is a legal, valid, and binding obligation of PREPA, enforceable against PREPA in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of rights generally.

(b) SELLER hereby represents and warrants to PREPA: (i) the execution, delivery, and performance by SELLER of this Amendment have been duly authorized, and do not and will not (A) require any additional internal consent or approval of SELLER, or (B) violate any provision of SELLER's certificate of formation or operating agreement, or any material indenture, contract or agreement to which it is a party or by which it or its properties may be bound, or any law, ordinance, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect; and (ii) this Amendment is a legal, valid and binding obligation of SELLER, enforceable against SELLER in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of rights generally.

11. Ratification. Except as expressly amended hereby, the PPOA and all documents, instruments and agreements related thereto are hereby ratified and confirmed in all respects.

12. No Implied Waiver. This Amendment shall be limited precisely as written and shall not be deemed to be a consent granted pursuant to, or a waiver or modification of, any other term or condition of the PPOA, whether or not known to the Parties, or to

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prejudice any other right or rights which the PPOA may now have or have in the future.

13. Counterparts. This Amendment may be executed in multiple original or facsimile counterparts, each of which shall be deemed an original and shall be binding upon the Party who executed the same, but all of such counterparts shall constitute the same Amendment.
14. Governing Law. This Amendment shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico and, to the extent applicable, the laws of the United States of America. The Parties herein agree that all Disputes arising hereunder shall be resolved pursuant to Section 21.12 of the PPOA.
15. Novation: SELLER and PREPA expressly agree that no amendment or change order which could be made to the PPOA and this First Amendment, during its term, shall be understood as a Contractual Novation, unless both parties agree to the contrary, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives the SELLER a time extension for the compliance of any of its obligations under the PPOA as amended or where PREPA dispenses the claim or demand of any of its credits or rights under the PPOA as amended.
16. Capitalized Terms. Unless otherwise stated, capitalized terms used in this Second Amendment which are not defined in this Amendment have the meaning given in the PPOA.

IN WITNESS WHEREOF, the Parties hereto have agreed to execute this Second Amendment in San Juan, Puerto Rico, on this 20 day of March, 2014.

Puerto Rico Electric Power Authority



Juan F. Alicea Flores *April 4, 2014*
Executive Director
Employer's Social Security 660-43-3747

SolarBlue Bemoga, LLC



Lee J. Maher
Owner and Managing Member
Employer's Social Security 986-06-2884