DEVELOPMENT AGREEMENT

By and between

KITTITAS COUNTY, WASHINGTON

and

Vantage Wind Energy LLC
TABLE OF CONTENTS

1. Effective Date, Termination and Modification ................................................. 4
2. Definitions .......................................................................................................... 5
3. Protect Description ............................................................................................. 8
4. Vesting ................................................................................................................ 8
5. Development Standards ...................................................................................... 8
6. Decommissioning ............................................................................................... 11
7. Consistency with Local Regulations .................................................................. 13
8. Amendments and Revisions ............................................................................. 14
9. Termination ......................................................................................................... 15
10. General Provisions ........................................................................................... 15
11. Notices .............................................................................................................. 19
12. Default and Remedies ...................................................................................... 20
13. Indemnity .......................................................................................................... 21
14. Entire Agreement .............................................................................................. 22

List of Exhibits

Exhibit A: Project Description

Exhibit B: Project Site Layout

Exhibit C: Project Land Legal Description and Landownership Interests

Exhibit D: Project Vicinity Map with Residence Locations

Exhibit E: Decommissioning Cost Estimate

Exhibit F: FAA Letters & Determination of Non Hazard Certificate
DEVELOPMENT AGREEMENT
VANTAGE POWER PROJECT

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into and effective this 6th day of May, 2008 by and between Kittitas County, a Washington municipal corporation ("County") and Vantage Wind Energy LLC, a Delaware limited liability company authorized to do business in the state of Washington ("Applicant"). This Agreement is made pursuant to Revised Code of Washington ("RCW") 36.70B.170, Kittitas County Code ("KCC") Chapter 15A.11, and KCC Chapter 17.61A, and relates to the Vantage Wind Project.

RECITALS

A. RCW Chapter 36.70B (the "Development Agreement Statute"), and Chapter 15A.11 Kittitas County Code ("Code") authorize the County to enter into an agreement regarding development of real property located within the County's jurisdiction with any person having an ownership interest in or control of such real property, Chapter 17.61A requires execution of a development agreement as part of the approval process for wind farm projects.

B. The Applicant desires and intends to develop a wind farm in eastern Kittitas County known as the Vantage Wind Project (the "Project") located approximately 18 miles east of the town of Kittitas, south of the Vantage Highway and north of Interstate 90. A full Project description is contained in Exhibit A.

C. The Project objective is to develop a wind energy facility with a maximum of 69 wind turbines, and necessary Project support facilities, all to deliver renewable energy to an interconnection point on the Pacific Northwest power grid.

D. The Applicant entered into agreements with the owners of the real property comprising the Project Area, giving it control of this land for the purpose of, and authority to, develop the Project.

E. The Project will be located on land referred to herein as the "Project Area". A map showing the location of the Project Area is contained in Exhibit B, 'Project Site Layout'. The Project Area covers approximately 4,750 acres. The land within the Project Area is described in Exhibit C, 'Project Land Legal Descriptions and Landownership Interests'.
F. On October 17, 2007, the Applicant submitted a Wind Farm Siting Application: Pre-Identified Areas Application to the County. The Applicant’s submissions were deemed complete by the County on November 2, 2007. As the State Environmental Policy Act ("SEPA") Lead Agency, Kittitas County issued a Mitigated Determination of Non-significance ("MDNS") for the Project on February 26, 2008. Applicant agrees to abide by the Proposed SEPA Mitigation Measures identified in the MDNS as well as the Development Standards set forth in this Agreement to mitigate impacts to the environment.

G. This Agreement was the subject of a 30-day comment period and a hearing before the Kittitas County Planning Commission as required by KCC Title 15A.

H. This Agreement specifies the commitments made by the County and the Applicant for the purpose of ensuring that the Project is consistent with the Kittitas County Comprehensive Plan and Zoning code, and to ensure that all final permit approvals will be in the best interests of the citizens of Kittitas County, and will reflect the land use planning considerations of Kittitas County.

I. This Agreement establishes that the proposed Project with the Development Standards and proposed SEPA mitigation measures contained herein is consistent with the County’s Comprehensive Plan, zoning and development regulations, and is compatible with surrounding land uses.

NOW, THEREFORE, in consideration of the recitals (which are incorporated into the Agreement by this reference) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Applicant agree as follows:

AGREEMENT

1. **Effective Date, Termination and Modification.**

1.1 The Effective Date of this Agreement is the last date upon which it was signed by the Parties hereto.
1.2 **Termination.** This Agreement shall terminate thirty - years from the Effective Date of this Agreement, or may be terminated by mutual written agreement of the Parties to this Agreement, or terminated by Applicant pursuant to Section 9, below.

1.3 **Modification.** The Parties agree that modifications to this agreement may be made at any time for good cause. Further, on or after a date which is 20 years from the date of this agreement and every 5 years thereafter, the County Commissioners shall have the ability to review the Project's compliance with County plans for its airport expansion and the then-current Kittitas County Zoning Code, county development regulations, as well as any other applicable local, state or federal laws or regulations and request that reasonable modifications be made to the Project to accommodate changes in the County's airport plans or County and other governmental regulations. If there is any conflict with a planned landing approach or facility contained in the then-current Bowers Field Airport Master Plan, the County may require reasonable modifications to the Project to mitigate such conflict, so long as the County Airport Management and the FAA determine in writing that there are no other reasonable alternatives to avoid impact to the Project.

2. **Definitions.**

For purposes of this Agreement, the following terms, phrases, words, and their derivations shall have the meaning given herein where capitalized; words not defined herein shall have their ordinary and common meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, words in the singular number include the plural number, and the use of any gender shall be applicable to all genders whenever the sense requires. The words "shall" and "will" are mandatory and the word "may" is permissive. References to governmental entities (whether persons or entities) refer to those entities or their successors in authority. If specific provisions of law referred to herein are renumbered, then the reference shall be read to refer to the renumbered provision. References to laws, ordinances or regulations shall be interpreted broadly to cover government actions, however nominated, and include laws, ordinances and regulations now in force or hereinafter enacted or amended.

2.1. **Agreement.** "Agreement" means this Development Agreement between Kittitas County, Washington and Invenergy Wind Development LLC, approved by the Board of County Commissioners.
2.2. **Applicant.** "Applicant" means Invenergy Wind Development LLC or any of its Transferee(s) as provided in Section 10.1 below.

2.3. **BOCC.** "BOCC" means the Board of County Commissioners of Kittitas County, Washington.

2.4. **County.** "County" means Kittitas County, Washington.

2.5. **Construction Build out Period.** "Construction Build out Period" has the meaning set forth in Section 5.15 of this Agreement.

2.6. **Development Standards.** "Development Standards" means the requirements stated in Section 5.

2.7. **Director.** "Director" means the Director of Kittitas County Community Development Services.

2.8. **Effective Date.** "Effective Date has the meaning set forth in Section 1.1 of this Agreement.

2.9. **FAA.** "FAA" means Federal Aviation Administration.

2.10. **Force Majeure Event.** "Force Majeure Event" means any event that directly prevents or delays the performance by the Party affected of any obligation arising under this Agreement, including an event that is within one or more of the following categories: condemnation; expropriation; invasion; plague; drought; landslide; tornado; hurricane; tsunami; flood; lightning; earthquake; fire; explosion; epidemic; quarantine; war (declared or undeclared), terrorism or other armed conflict; material physical damage to the Project caused by third Parties; riot or similar civil disturbance or commotion; other acts of God; acts of the public enemy; blockade; insurrection, riot or revolution; sabotage or vandalism; embargoes; and, actions of a governmental authority other than EFSEC.

2.11. **Liability.** "Liability" means all loss, damage, cost, expense (including costs of investigation and attorneys' fees and expenses at arbitration, trial or appeal and without institution of arbitration or suit), liability, claims and demands of whatever kind or nature
(including those arising under the Federal Employers Liability Act), arising out of an occurrence relating to this Agreement or occurring on or relating to the Project described herein.

2.12 **MDNS.** "MDNS" means the Mitigated Determination of Non-significance" issued by Kittitas County on February 26, 2008.

2.15 **Parties.** "Parties" means Kittitas County, Washington and the Applicant, Invenergy Wind Development LLC, a Delaware limited liability company.

2.16 **Project.** "Project" means the Vantage Wind Project generally consisting of up to 69 Turbines and other associated and necessary Project Facilities as described in Exhibit A, modified as necessary to be consistent with the Development Standards contained herein.

2.17 **SEPA.** "SEPA" means State Environmental Policy Act.

2.18 **Substantial Completion.** "Substantial Completion" means the Project is generating and delivering energy to the electric power grid.

2.19 **Technical Advisory Committee ("TAC").** "TAC" means a committee composed of representatives from Washington Department of Fish and Wildlife, Kittitas County, local interest groups, project landowners and Applicant, which Applicant shall convene to evaluate the mitigation and monitoring program and determine the need for further studies or mitigation measures for the Project.

2.20 **Transferee.** A party to which the Project is transferred or assigned in part or in whole under the provisions contained in Section 10.1 of this Agreement.

2.21 **Turbine.** "Turbine" means the entire structure that produces electricity. Each Turbine consists of a tower structure anchored to a foundation, a three bladed rotor, and a nacelle (the housing for the generator and other machinery), all of which are described in further detail in Exhibit A.
3. **Project Description**

The Vantage Wind Project ("Project") generally consists of up to 69 Turbines and other associated and necessary Project Facilities as described in Exhibit A, modified as necessary to comply with and to be consistent with the Development Standards contained herein and the proposed SEPA DEIS mitigation measures in Exhibit D.

4. **Vesting.**

This Agreement vests the Project to the existing County land use plans and regulations effective as of the Effective Date of this Agreement.

5. **Development Standards.**

5.1. **Number of Turbines.** Under this Agreement, Applicant shall construct no more than 69 Turbines within the corridors as described in the Project Description.

5.2. **Maximum Turbine Height.** The maximum height (measured to the tip of the blade at its highest point to the base of the tower structure) of any Turbine that may be constructed as part of the Project is 400 feet.

5.3. **Location and Description of Project.** The general location of components of the Project including, but not limited to: the turbine corridors, roadways, electrical collection and distribution system, operations and maintenance facility, electrical substations, transmission lines and other related Project Facilities is described in Exhibit A, 'Project Description' and illustrated in Exhibit B, Preliminary Project Site Layout", modified as necessary to be consistent with the following Development Standards and SEPA mitigation measures. Exhibit D illustrates the location of the Project Facilities and the Turbines in relation to existing residences in the vicinity of the Project. Regardless, no Turbine may be closer that one and one half the total height of the tallest Turbine to any residential structure, or publically accessed structure or road. This does not include those structures or roads which are part of the project or development of the project.

5.4. **Fire Protection Services.** Applicant will execute a fire protection services agreement with Ellensburg Rural Fire District #2 (Kittitas Valley Fire and Rescue) and/or Fire District #4 (Vantage) for the Project to ensure that suitable fire protection services are in place.
prior to the construction and on-going operations of the Project. A fire protection services agreement shall be maintained for the life of the Project.

5.5. **FAA Review.** Exhibit F contains letters confirming that the FAA Determination of Non Hazard certificates released for the Project in March, 2006 confirm that the Project does not interfere with any of the current IFR flight approaches for the Bowers Field Airport. Exhibit F also contains a sample determination of non hazard certificate for one of the proposed Project turbine locations. Due to the bulk of the additional certificates, Applicant shall provide Determination of Non Hazard certificates issued by the Federal Aviation Administration (FAA) and related information to the Director, which demonstrates that the Project will not impact approved flight approaches, flight communications, or operations at the Bowers Field Airport in Ellensburg prior to construction.

5.6. **Emergency Plans.** Emergency plans shall be prepared and submitted and approved by the County prior to construction.

5.7. **Project Access Roads.** The main Project access road entrance from Vantage Highway shall be on the south side along the Vantage Highway roadbed. The access point will be located at the current property access point, approximately 10 miles west of the Vantage Exit on I-90, and shall be constructed to commercial access standards as specified in the WSDOT Design Manual figure 920-5. Project site roads shall be designed in accordance with Table 12-1 of the Kittitas County Road Standards for Low Density Private Roads, and have a maximum grade of 12%. If variances from the above referenced standards are required, they shall be reviewed for approval by Road Variance Committee prior to construction, which approval shall not be unreasonably withheld. In the event of denial of a variance request, Applicant may seek review and approval by Board of County Commissioners pursuant to Chapter 12.01.130 of the Kittitas County Road Standards.

5.8. **Road Degradation Monitoring and Mitigation.** The applicant shall, in conjunction with the Kittitas County Department of Public Works, provide a roadway pavement analysis which includes a video and visual inspection of the condition of pavement prior to any construction of the project. The analysis shall fully document the quantity and severity of any existing pavement roadway and shoulder distresses utilizing an accepted rating system to include Vantage Highway from the I-90 Vantage Interchange to the City of Kittitas and the route along Main Street, Patrick Avenue, and No 81 Road from the I-90 Kittitas Interchange to the Vantage Highway. The applicant shall monitor and immediately repair any significant roadway
distress and at the conclusion of construction, the applicant shall complete a second fully
documented and scored assessment of the roadway noted above. If construction of the Project
results in the degradation of the existing pavement and/or shoulders then the applicant shall
reinstate these facilities to equal or better condition than they were prior to construction.

5.9. **Visitor information.** The Applicant will use commercially reasonable efforts to
work with and obtain permission from the Washington State Department of Transportation to
create an information panel or kiosk about wind energy for educational purposes at the closest
scenic rest stop along I-90. Final approval regarding the information and display shall be
conducted by the Community Service Director prior to construction or unveiling of the
information panel.

5.10. **Traffic Monitoring.** Applicant shall monitor traffic levels following construction of
the Project for a period of three years and shall provide a written report consistent with the later-
developed monitoring program annually to Public Works. After that time, Applicant shall
continue monitoring traffic to the Project upon written request from the County. Should
operations related traffic to and from the Project site exceed WSDOT warrants, as contained in
Chapter 910 of the WSDOT Design Manual, the Applicant shall construct right and/or left turn
lanes on Vantage Highway, or other mitigation or improvement measures that may be
recommended. Said improvements shall be designed and constructed in accordance with
WSDOT guidelines. The monitoring program shall be developed in conjunction with the
Department of Public Works.

5.11. **Gravel quarries.** Gravel quarries on the site (if any) shall be for on-site use during
construction only. The Applicant shall comply with Washington State DNR requirements for
gravel pit reclamation.

5.12. **Concrete batch plants.** Concrete batch plants shall be restricted to on-site use
and shall be removed when construction is complete.

5.13. **County Right-of-Way.** Approval of a franchise for location of facilities within
County owned right-of-way (including overhead electric power lines) is required.

5.14 **Construction Build-out Period.** Applicant shall be allowed to construct the Project
such that Substantial Completion is achieved no later than 5 years from the date that all permits
necessary to construct the Project are obtained, but in no event later than 6 years from the
Effective Date of this Agreement (the "Construction Build-out Period") provided however, that such construction is not delayed by a Force Majeure Event.

5.15 **Turbine Setbacks from Structures.** A minimum set back of one-half mile shall be maintained between Project wind turbines and existing structures located outside the Project boundaries illustrated in Exhibit B; provided however that the Applicant shall be permitted to construct a wind turbine within one-half mile of an existing residence by providing an analysis that follows the process allowed under code.

5.16 **Safety Setbacks.** A minimum safety setback of 1-1/2 times the height of the tower to the tip of the blade will be maintained between Project wind turbines and all structures and Project Area boundaries.

6. **Decommissioning**

6.1. **Decommissioning Plan.** Prior to construction of the Project, Applicant shall provide to the County for its approval, a Project decommissioning and site restoration plan (the "Plan"), prepared in sufficient detail to identify, evaluate, and resolve all major environmental, and public health and safety issues reasonably anticipated by the Parties on the date hereof. The Plan shall describe the process used to evaluate the options and select the measures that will be taken to restore or preserve the Project site or otherwise protect the public against risks or danger resulting from the Project. The Plan shall be prepared in detail commensurate with the time until site restoration is to begin. The scope of proposed monitoring shall be addressed in the Plan.

6.2. **Decommissioning Scope and Timing.** Applicant or any Transferee, as the case may be, shall decommission the Project within twelve (12) months following the earlier of either: (a) the date of termination of this Agreement, in accordance with Section 1.2 above; or (b) at the written request of the County, the Applicant demonstrates that the energy generated by the Project for the past 12 month period is less than 10% of the Historical Energy Production defined below and no exemptions apply. The Applicant will be exempted from the decommissioning requirement if the twelve (12) month reduced energy output period described above is the result of (i) a repair, restoration or improvement to an integral part of the Project that affects the generation of electricity that is being diligently pursued by the Applicant, or (ii) a Force Majeure Event, including, but not limited to, an extended low wind period. For these purposes, the Historical Energy Production shall be the sum of all energy generated by the
Project divided by the number of months since the beginning of commercial operation multiplied by twelve, starting twelve months after commercial operation commences.

The twelve (12) month period to perform the decommissioning may be extended if there is a delay caused by sources beyond the control of the Applicant including, but not limited to inclement weather conditions, equipment failure, wildlife considerations or the availability of cranes or equipment to support decommissioning. The County shall be granted reasonable access to the Project site during decommissioning of the Project for purposes of inspecting any decommissioning work or to perform decommissioning evaluations. County personnel on the Project site shall observe all worker safety requirements enforced and observed by the Applicant and its contractors. If requested by the County, Applicant will provide monthly status reports until this decommissioning work is completed. Decommissioning the Project shall involve removal of the Turbines; removal of foundations to a depth of 3 feet below grade; re-grading the areas around the Project Facilities; removal of Project access roads and overhead cables (except for any roads and/or power cables that Project Area landowners wish to retain); and final reseeding of disturbed lands (all of which shall comprise “Decommissioning”). Decommissioning shall occur in the order of removing the Turbines as the first priority and performing the remaining elements immediately thereafter.

6.3 Decommissioning Funding and Surety. Except as provided in Section 6.4 below, Applicant or any Transferee, as the case may be, shall post funds sufficient for Decommissioning in the form of a guarantee bond or a letter of credit to ensure the availability of said funds (the “Decommissioning Funds”) to Kittitas County, prior to the end of the first year after commencement of construction. A detailed engineering estimate of the amount of the Decommissioning Funds is included in Exhibit E. The Decommissioning Plan shall provide that the Decommissioning Funds shall be reevaluated annually during construction of the Project and every five (5) years thereafter from the date of Substantial Completion to ensure sufficient funds for Decommissioning and, if deemed appropriate by the County, the amount of the Decommissioning Funds shall be adjusted accordingly. On or before the date on which financial security must be established, the Applicant or any Transferee, as the case may be, shall provide the County with a copy of one of the following security devices for their information:

(a) Performance Bond. Applicant or any Transferee, as the case may be, shall provide financial security for the performance of its decommissioning obligations through a Performance Bond issued by a surety registered with the Washington State Insurance Commissioner and is, at the time of delivery of the bond, is on the authorized insurance provider
list published by the Insurance Commissioner. The Performance Bond shall be in an amount equal to the Decommissioning Funds. The Performance Bond shall be for a term of 1 year, shall be continuously renewed, extended, or replaced so that it remains in effect for the remaining term of this Agreement or until the secured decommissioning obligations are satisfied, whichever occurs later. In order to ensure continuous renewal of the Performance Bond with no lapse, each Performance Bond shall be required to be extended or replaced at least one month in advance of its expiration date. Failure to secure such renewal or extension shall constitute a default of the Applicant under this Agreement and under the Bond provisions; or

(b) Letter of Credit. Applicant or any Transferee, as the case may be, shall provide financial security for the performance of its decommissioning obligations through a letter of credit issued by a bank whose long-term debt is rated "A" or better by a Rating Service. The letter of credit shall be in an amount equal to the Decommissioning Funds. The letter of credit shall be for a term of 1 year, shall be continuously renewed, extended, or replaced so that it remains in effect for the remaining term of this Development Agreement or until the secured decommissioning obligations are satisfied, whichever occurs later. Kittitas County or designees shall be authorized under the letter of credit to make one or more sight drawings thereon upon certification to the issuing bank of the Applicant's or Transferee's (as the case may be) failure to perform its decommissioning obligations when due.

6.4. Financial Security and Utility Project Ownership. If, at the time the duty to provide Decommissioning security arises under Section 6.3 above, the owner of the Project is an investor-owned electric utility regulated by the Federal Energy Regulatory Commission (FERC) and the Washington Utilities and Transportation Commission (WUTC), Applicant or any Transferee, as the case may be, shall not be required to obtain and provide proof of financial security for the performance of its Decommissioning obligations arising hereunder, since the obligation to fully decommission the Project when due shall be a general obligation of the investor-owned electric utility owner.

13
7. **Consistency with Local Regulations.**

The County hereby acknowledges that if the Project is developed consistent with this Agreement and any Amendments thereto, then all of the following will be deemed true and accurate statements: (1) the public health, safety, and welfare will be adequately protected within the bounds of the law; (2) the Project will be considered essential and desirable to the public convenience; (3) the Project will not be detrimental or injurious to the public health, peace, or safety, or to the character of the surrounding neighborhood; (4) the Project will not be detrimental to the economic welfare of the County; and (5) the Project will not create excessive public cost for public facilities and services.

The Turbines are located on adjacent and contiguous tax parcels which are zoned as Commercial Agriculture. Unless waived by the applicable landowner, all Turbines are located more than one-half mile from existing residences owned by non-participating landowners. Due to Project and equipment design, as well as the remoteness of the Project from residential or other development, the Project poses no potential risks to residents from ice throw, blade throw or tower collapse. Other potential impacts such as shadow flicker and noise impacts are also insignificant due to the distance of the Turbines from potential receptors. The Project will deliver cost effective renewable energy to the electric grid and, as such, is essential and desirable to the public convenience. The Project will contribute significant tax revenues to the County which will far exceed the limited public service costs the Project will introduce.

8. **Amendments and Revisions.**

This Development Agreement may be amended by mutual agreement of the Parties only if the amendment is in writing and signed by Applicant and the County and is approved by the BOCC (an "Amendment"). The following sections specify what Project actions and revisions can be undertaken without the need for amendment of the Development Agreement and what revisions require Amendment to the Agreement.

8.1 **Project Facility Repair, Maintenance and Replacement.** Applicant shall be permitted, without any further approval from the County or amendment to this Agreement, to repair, maintain and replace Project Facilities consistent with the terms of this Agreement.

8.2 **Turbine Repair, Maintenance and Replacement.** Applicant shall be permitted to repair and maintain the Turbines without any further approval from the County or amendment to
this Agreement and to: (i) replace any Turbine with the same make and model Turbine originally used in the Project ("Replacement Turbine") so long as the Replacement Turbine meets the Development Standards contained in this Agreement, (ii) replace any Turbine with a Comparable Turbine in the event Applicant cannot or it is impracticable for it to obtain a Replacement Turbine. "Comparable Turbine" means any wind turbine that is within the size limits and general configuration defined in the Project Description in Exhibit A and located in the same location as the Turbine being replaced and meets the Development Standards contained in this Agreement.

9. **Termination.**

Applicant shall have the option, in its sole discretion, to terminate this Agreement prior to commencing any construction including any site grading and excavation work for installation of the Project or its support facilities. If it elects to terminate this Agreement, Applicant shall submit a Notice to this effect to Kittitas County.

10. **General Provisions.**

10.1 **Assignment.** The County and Applicant acknowledge that development of the Project may involve the sale and/or assignment of all or substantially all of the assets or all or substantially all of the membership interests to third parties. In addition the County and Applicant acknowledge that Applicant and its permitted Transferees may obtain financing for all or a portion of the costs of the Project. Applicant shall have the right to assign or transfer all or any portion of its interest in the Project at any time, including rights, obligations and responsibilities arising hereunder, including financial assurance for decommissioning as set forth in Section 6 above, to third parties acquiring all or substantially all the assets of the Project or all or substantially all the membership interests in Applicant (each such third party, a "Transferee"), provided such assignments or transfers are made in accordance with the following:

10.1.1 **Assignments or Transfers Requiring the Consent of the County.**

Applicant may at any time enter into a written agreement with a Transferee other than those described in Sections 10.1.2 and 10.1.3 to transfer all or substantially all the assets of the Project or all or substantially all the membership interests in Applicant, including rights, obligations and responsibilities arising hereunder (such agreement, a Transfer Agreement");
provided that Applicant obtains the prior written consent of the County as described in this section:

(a) Such Transfer Agreement shall not take effect unless and until the County has consented in writing to such transfer or assignment, which consent shall not be unreasonably withheld, conditioned, or delayed. Written notice of the proposed Transfer Agreement shall be mailed, first-class, to the County at least thirty (30) days in advance of the proposed date of transfer or assignment. Failure by the County to respond within thirty (30) days after receipt of a request made by Applicant for such consent shall be deemed to be the County's approval of the Transfer Agreement. The County may refuse to give its consent to a Transfer Agreement only if there is a material reason for such refusal, including without limitation, (i) the Transferee's failure to perform material obligations under a similar Development Agreement, or (ii) a failure to demonstrate adequate financial capability, including financial assurance for decommissioning as set forth in Section 6 above, to perform the obligations proposed to be assumed by such Transferee.

(b) Any Transfer Agreement shall be binding on the Applicant, the County and the Transferee. Upon approval of a Transfer Agreement by the County, the Applicant shall be released from those obligations and responsibilities assumed by the Transferee therein.

(c) Applicant shall be free from any and all liabilities accruing on or after the date of any assignment or transfer with respect to those obligations assumed by a Transferee pursuant to an approved Transfer Agreement. No breach or default hereunder by any person that assumes any portion of Applicant's obligations under this Agreement pursuant to an approved transfer shall be attributed to Applicant, nor shall any of Applicant's remaining rights hereunder be cancelled or diminished in any way by any such breach or default.

(d) No breach or default hereunder by Applicant shall be attributed to any person succeeding to any portion of Applicant's rights or obligations under this Agreement, nor shall such Transferee's rights be cancelled or diminished in any way by any such breach or default.
(e) Upon any transfer made in accordance with this Section 10.1.1 for which the County has consented, the Transferee shall be entitled to all interests and rights and be subject to all obligations under this Agreement, and Applicant shall be automatically released of all liabilities and obligations under this Agreement as to that portion of its interest so transferred or assigned.

10.1.2 Collateral Assignments without the Consent of the County.

Notwithstanding anything herein to the contrary, Applicant or any Transferee shall be permitted to collaterally assign its interest in the Project to a lender providing financing for the Project without the consent of the County, provided that Applicant or any Transferee delivers written notice to the County at least thirty (30) days prior to the date of such collateral assignment and identifies such lender, and maintains financial assurances for decommissioning as set forth in Section 6 above.

10.1.3 Assignments or Transfers without the Consent of the County.

Applicant may transfer or assign all or any portion of its interest in the Project at any time, including rights, obligations and responsibilities arising hereunder, to affiliates of the Applicant or third parties acquiring all or substantially all the assets of the Project or all or substantially all the membership interests in Applicant without the consent of the County provided that:

(i) Transferee is (a) an investor-owned electric utility regulated by the Federal Regulatory Energy Commission ("FERC") and the Washington Utilities and Transportation Commission ("WUTC") or a wholly owned subsidiary of such an investor-owned electric utility, or; (b) an entity having, at the time of transfer or assignment, a senior unsecured long term debt rating ("Credit Rating") of (1) if such entity has a Credit Rating from Standard and Poor's but not from Moody's, BBB- or better from Standard and Poor's or (2) if such entity has a Credit Rating from Moody's but not from Standard and Poor's, Baa3 or better from Moody's or (3) if such entity has a Credit Rating from both Standard and Poor's and Moody's, BBB- or better from Standard and Poor's and Baa3 or better from Moody's; or (c) Transferee is an affiliate of the Applicant; and
(ii) Transferee agrees to be bound by the rights, obligations and responsibilities of Applicant hereunder, including financial assurance for decommissioning as set forth in Section 6 above, on and after the date of such transfer or assignment. In the event that Applicant transfers or assigns all or any portion of its interest in and to the Project in accordance with this provision, Applicant shall be released from all obligations or liabilities under this Agreement on and after the date of such transfer or assignment as to that portion of Applicant’s interest so transferred or assigned.

10.2 Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns, devisees, administrators, representatives, lessees and all other persons or entities acquiring all or any portion of the Project, any lot, parcel or any portion thereof within the Project Area, or any interest therein, whether by sale, operation of law, devise, or in any manner whatsoever.

10.3 Washington Law. This Agreement is entered into under the laws of the State of Washington, and the parties hereto intend that Washington law shall apply to the interpretation hereof.

10.4 Severability. If any provisions of this Agreement are determined to be unenforceable or invalid, this Agreement shall thereafter be modified, to implement the intent of the Parties to the maximum extent allowable under law and the remainder of this Agreement shall remain unaffected and in full force and effect.

10.5 Authority. Each Party represents and warrants that it has the respective power and authority, and is duly authorized, to enter into this Agreement on the terms and conditions herein stated, and to execute, deliver and perform its obligations under this Agreement.

10.6 No Third-Party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

10.7 Duty to Act Reasonably and in Good Faith. Unless otherwise expressly provided, each party shall act reasonably in giving consent, approval, or taking any other action under this Agreement. The Parties agree that each of them shall at all times act in good faith in order to
carry out the terms of this Agreement and each of them covenants that it will not at any time voluntarily engage in any actions which frustrate the purpose and intent of the Parties to develop the Project in conformity with the terms and conditions specified in this Agreement. The Parties understand and agree that the process described in this Agreement depends upon timely and open communication and cooperation between the Parties. The Parties agree to use best efforts to communicate regarding issues, changes, or problems that arise in the performance of the rights, duties and obligations hereunder as early as possible in the process, and not wait for explicit due dates or deadlines. Each party agrees to work cooperatively and in good faith toward resolution of any such issues.

10.8 Time of Essence. Time is of the essence in the performance of each and every obligation to be performed by the Parties hereto.

10.9 Staffing Agreement for County Project Costs. The Applicant will pay for County costs, including third party consultant costs, if necessary, incurred to support plan review and inspection of the Project during construction, in accordance with K.C.C. 14.04 et al., under a County Staffing Agreement. The Staffing Agreement shall be approved by the Applicant prior to construction, and such approval shall not be unreasonably withheld.


11.1 Written Notice. Any notice, demand, or other communication ("Notice") given under this Agreement shall be in writing and given personally or by registered or certified mail (return receipt requested). A courtesy copy of the Notice may be sent by facsimile transmission.

11.2 Addresses. Notices shall be given to the Parties at their addresses set forth below.

If to the County:               Kittitas County Community Development Services
                              411 North Ruby Street, Suite 2
                              Ellensburg, Washington 98926
                              Attn: Director

CC:                             Kittitas County Prosecuting Attorney’s Office
                              205 West Fifth, Room 213
                              Ellensburg, Washington 98926
                              Attn: Neil Caulkins

If to Applicant:               Vantage Wind Energy LLC
                              One South Wacker Drive, Suite 2020
                              Chicago, IL 60606
Attn: Joe Condo

CC:
Perkins Coie LLP
1201 Third Ave, Suite 4800
Seattle, WA 98101
Fax: 206-359-7368
Attn: Karen McGaffey

11.3 Notice by hand delivery shall be effective upon receipt. If deposited in the mail, notice shall be deemed delivered forty-eight (48) hours after deposited. Any party at any time by Notice to the other party may designate a different address or person to which such notice or communication shall be given.

12. Default and Remedies.

No party shall be in default under this Agreement unless it has failed to perform as required under this Agreement for a period of thirty (30) days after written notice of default from the other party. Each notice of default shall specify the nature of the alleged default and the manner in which the default may be cured satisfactorily. If the nature of the alleged default is such that it cannot be reasonably cured within the thirty (30) day period, then commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure of the alleged default.

12.1 Dispute Resolution Process.

12.1.1. In the event of any dispute relating to this Agreement, each Party, upon the request of the other Party, shall meet within seven (7) calendar days to confer and seek to resolve the dispute ("Conference"). The Conference shall be attended by the following parties: (a) the County shall send department director(s) and County employees and contractors with information relating to the dispute, and (b) Applicant shall send an Applicant's representative and any Applicant's consultant with technical information or expertise related to the dispute. The parties shall, in good faith, endeavor to resolve their disputes through the Conference.

12.1.2. Mediation. If this Conference process does not resolve the dispute within the 7 day Conference period, the Parties shall in good faith submit the matter to mediation. The Parties shall send the same types of representatives to mediation as specified for the "Conference" process. Additionally the Parties shall have representatives present at the mediation with full authority to make a settlement within the range of terms being discussed,
should settlement be deemed prudent. The mediation shall take place within 45 days of the parties submitting the dispute to mediation.

In order to expedite the mediation, during the Conference process the Parties shall select the mediator. The mediator must be a neutral professional full time mediator with time available to meet with the parties within the 45 day mediation period following the 7 day Conference period.

To prepare for mediation, during the 7 day Conference period, the County will select three qualified mediators, as specified above, who are available in the following 45 days. At the end of the 7 day Conference period, if the matter has not been resolved, the Project Owner shall, within the 24 hours of being given the three names select one of the three. The parties will in good faith attempt to resolve the dispute in the 45 day mediation period."

If the dispute is not able to be resolved through the mediation process in the 45 day period, the parties may pursue their legal remedies in accordance with Washington law.

13. **Indemnity.**

The Project owners shall indemnify and hold harmless the County and its elected officials and employees from and against any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever ("Claims") that are caused by or result from the negligent act or omission of Applicant’s employees, officers, or agents in the operation of the Project; provided, however, that the total and cumulative obligation hereunder for all such Claims is limited to and shall not exceed five million dollars ($5,000,000.00). In the event of concurrent negligence, Applicant shall indemnify and hold harmless the County only to the extent of Applicant’s negligence, subject to the foregoing five-million-dollar limitation for any and all Claims.
14. **Entire Agreement.**

This Agreement, together with all exhibits hereto, constitutes the entire agree between the Parties with respect to the subject matter of this Agreement. Agreement is specifically intended by the Parties to supersede all prior agreements whether written or oral.

APPROVED this [date] day of May, 2008.

**BOARD OF COUNTY COMMISSIONERS**

Kittitas County, Washington

[Signatures]

Chairman, Mark McClain

Vice Chairman, Alan A. Crankovich

[Signatures]

VACANT

Commissioner

[Stamp]

Approved as to form:

[Signature]

Gregory L. Zempel,
Prosecuting Attorney
WSBA #19125

**VANTAGE WIND ENERGY LLC,**
a Delaware limited liability company

[Signature]

By:

Name: __________________________

Title: __________________________
Exhibit A

Project Description
**Exhibit A**

**VANTAGE WIND PROJECT**

**PROJECT DESCRIPTION**

The Vantage Wind Project ("the Project") is a renewable wind energy generation facility located near the town of Vantage, in Kittitas County, Washington. The Project will consist of a maximum of 69 wind turbines located on an approximately 4750-acre Project Area. It will have a capacity of 103.5 megawatts (MW).

**The Applicant**

The applicant for the Vantage Wind Project is Invenergy Wind North America LLC ("IWNA"). IWNA is a Delaware limited liability company formed for the purpose of developing, permitting, financing, constructing, owning and operating wind projects in the United States. IWNA is wholly owned by Invenergy LLC, a Delaware limited liability company that develops, constructs and operates large-scale energy assets in North America and Europe.

IWNA and its affiliates are actively developing wind power projects in more than twenty states in the United States as well as in Canada and Europe. IWNA and its affiliates have financed in whole, or in part, more than $1 billion worth of wind energy projects in the United States. They are the owner-operators of wind projects in Colorado, Iowa, Idaho, Montana, Oklahoma, Tennessee, and Texas with a total capacity almost 700 MW. IWNA and its affiliates have additional wind projects under construction and many more in various stages of development.

IWNA currently has 400 General Electric 1.5 SLE wind turbines on order for 2007 delivery and an additional 400 turbines on order for delivery in 2008. We anticipate that IWNA will continue to order turbines one to two years in advance to satisfy on-going project development plans.

IWNA's focus is on the development and long-term ownership of utility-scale wind projects ranging in size from 25 to 400 MW. IWNA primarily originates and develops its own wind projects from conception through operation. With this long-term perspective, IWNA takes a proactive approach to building strong relationships with various stakeholders including landowners, host communities and power purchase clients. IWNA affiliates have also completed some late development acquisitions with this same philosophy.

The applicant’s contact information is listed below.

- **Dave Iadarola**
  Invenergy Wind North America
  2580 W. Main St., Suite 200
  Littleton, CO 80120

- **Mike Logsdon**
  Invenergy Wind North America
  One South Wacker Dr. Suite 2020
  Chicago, IL 60606
Project Site

IWNA proposes to construct and operate the Vantage Wind Project in eastern Kittitas County, on the open ridge tops located between the towns of Kittitas and Vantage. The Project Area is rural, with much of the surrounding land used as rangeland for grazing and very few residences located nearby.

The Project Area is shown in Figure 1.1. It consists of approximately 4750 acres located north of Interstate 90 and south of the Old Vantage Highway. The Project Area is approximately seven miles west of the Columbia River and approximately three miles south east of the existing Wild Horse Wind Project.

The Project Area is owned by three private landowners and the Washington Department of Natural Resources. All of the land is currently secured under long term lease.

The Project Area is zoned Commercial Agricultural under the Kittitas County Code. The Project Area is also within the Pre-Identified Areas for Wind Project Siting pursuant to Kittitas County Code section 17.61A.035.

Figure 1.2 also shows the proposed configuration of turbines. The turbines and associated project facilities will occupy only approximately 325 acres within the larger Project Area.

Project Facilities

The Project consists of several types of facilities, including wind turbines, power collection facilities, a substation and transmission line, access roads, and an operation and maintenance facility.

The approximate location of these facilities is shown in Figure 1.2. The exact location may vary as a result of micro-siting at the time of final engineering design and construction to allow for in-field conditions at the time of construction. Minor adjustments to road layout and turbine locations may be necessary due to such factors as geotechnical inconsistence, final on-site meteorological survey may change spacing, and final surveys to accommodate communication microwave paths.

Wind Turbines

The Project will have no more than 69 wind turbines. Each turbine consists of three rotor blades, connected to the rotor hub, a nacelle (the housing for the generator, which is connected via a great box and rotor to the blades), and a tubular tower anchored to a tower foundation. Figure 1.3 is a diagram of a typical wind turbine.
The Project will use General Electric (GE) 1.5 SLE wind turbines. Each turbine has a rated output of 1.5 MW. The total height of each turbine from ground to tip when the tip blade is pointing straight up will be 389 feet (118.5 meters), with a hub height of 262 feet (80 meters) and a 253-foot (77 meter) rotor diameter. The blades will be 136 feet (41.5 meters) off the ground when pointed straight down.

The GE 1.5 MW wind turbine is among the mostly widely used wind turbines in the industry. There are more than 1,800 of these wind turbines in service. For example, this turbine is installed at the Klondeike wind energy project in Oregon and at Invenergy’s Wolverine Creek and Judith Gap projects in Idaho and Montana.

Tubular steel towers support the nacelle, rotor and blades. Each tower will have a diameter of approximately 13.6 feet (4.15 meters) at the base, narrowing to approximately 8.0 feet (2.4 meters) at the top. Towers will be painted a neutral color and lighted according to Federal Aviation Administration requirements. A maintenance door is located at the base of each wind turbine tower to provide access to the components inside the nacelle. This door will be locked to prevent entry by unauthorized personnel.

The turbine towers will stand on steel and concrete foundations. A registered engineer will design the foundation for each turbine location based on site-specific geotechnical information. A typical tower foundation is a spread footing design about 48 feet wide and 7 feet deep. At grade, an 18 foot diameter pedestal section will be exposed at the center of the foundation. This center pedestal section extends 1 foot or less above finished grade and extends about 3.5 feet below grade to an octagon shaped spread footing. The spread footing is typically about 5 feet thick at the center and tapers to a thickness of about 2 feet at its outer edge. On slopes between 5% and 15%, the pedestal of the spread footing is buried deeper. On the uphill side, more of the pedestal is below grade, providing adequate foundation ground cover on the downhill side.

The rotors and hub transfer wind energy to the drive train and generator located in the nacelle, which sits atop the tower. The nacelle acts as a cover and protects the components inside, consisting of the gearbox, low and high-speed shafts, generator, yaw system, pitch system, controller and brake. The yaw system components inside the nacelle rotate to turn the blades into the direction of the wind. Each turbine's electrically actuated blade pitch system regulates rotor speed for optimum thrust at varying wind speeds and acts as the main braking control by feathering the blades parallel to the wind, minimizing dependence on large emergency braking systems. Each turbine is also equipped with a mechanical brake.
Electrical System

The 60 Hertz (Hz) 575 volt electric energy produced by each wind turbine is conducted through cables running down the inside of the wind turbine tower, through an underground conduit, to a pad-mount transformer that sits adjacent to the base of each tower. The pad-mount transformer will be contained in a steel case approximately 5 feet on all sides and mounted on a small concrete pad. It transforms power from the turbine output voltage to 34.5 kV.

Each pad-mount transformer is connected to a system of insulated and shielded underground cables, which connects the output of the wind turbines in circuits each capable of carrying approximately 20 to 25 MW to the Project substation.

The underground collection system is routed to minimize cable length and to minimize impact to existing land uses. In many cases, electrical cables will be routed adjacent to service roads. The electrical collection system will be installed in trenches. The electrical cables will be buried 3 feet to 4 feet below finished grade. Cable trenches will also include a marker ribbon and a fiber optic cable for transmitting operation and control data needed to monitor the wind turbines. The locations of buried cables will be identified by markers placed at edges of fields and property lines.

Approximately 10 miles of 34.5 kV buried cable will be required to connect the turbines to the Project substation.

The collection system lines will be routed to a combined electric substation and 230 kV switchyard planned to be located on approximately 5 acres located on the western portion of the project to easily facilitate interconnection. At the substation, a Project transformer will increase voltage from 34.5 kV to 230 kV.

There will be one 230 kV feeder line for interconnection into Puget Sound Energy’s (PSE) 230 kV Wild Horse feeder line, which is located along the southern edge of the Project Area. Power will be fed along the feeder line into the interconnection point at PSE’s line.

Meterological Towers

The Project will include 3 permanent meterological towers. These towers will be approximately 197 feet (60 meters) tall, and will be free-standing steel structures without guy wires.

Service Roads

Service roads will be constructed to allow for delivery of concrete, equipment, and turbine components needed for wind turbine construction. Following construction, service roads will be maintained to provide long-term access for maintenance of the wind turbines. A typical service road will be 16 feet wide with a compacted base and gravel top layer. Roads will be designed to have a maximum grade of 10% and to allow
delivery of the largest turbine components using trucks with a minimum turning radius of 135 feet.

Operation and Maintenance Facility

An Operations and Maintenance Building is planned for an area in the middle of the site near the access point. The Operations and Maintenance Building will be approximately 1200 square-foot and will house Project offices, garages, workspace, and storage areas for parts and tools. The building will have a low-reflectivity, neutral finish to minimize contrast with the sky and surrounding backgrounds and to minimize reflections. Landscaping will be used around buildings for partial screening and integration of the buildings into the surroundings. The building will be serviced with sanitary facilities and potable water. The exterior of the building will have parking.

The Operations and Maintenance Building site may also be used as a temporary construction staging area. The maximum total area to be occupied by the construction laydown area, the Operations and Maintenance Building, the substation and switchyard is estimated to be no more than 15 acres.

Safety and Control System

The Project will have a Supervisory Control and Data Acquisition (SCADA) System to remotely monitor and control the individual turbines. Communication lines will connect each turbine to the SCADA system.

The turbines are designed with two fully independent braking systems: an aerodynamic breaking system and a separate hydraulic disc brake system. Both systems operate independently, and each by itself is capable of stopping the rotor blade. Each turbine is also equipped with a parking brake used to "park" the rotor during maintenance and inspections.

Each turbine is also equipped with a lightning protection and grounding system.

Lighting

The FAA typically requires every structure taller than 200 ft above ground level to be lighted, but in the case of wind power developments, it will allow a strategic lighting plan that provides complete conspicuity to aviators but does not require lighting every turbine. IWNA is developing a lighting plan to be submitted for FAA approval. An estimated 20-25% of the project's turbines will be designated for lighting with medium intensity dual red synchronously flashing night-time lights and either no daytime lights or white strobe daytime lights.

The Operations and Maintenance building and electrical substation will also be equipped with night-time and motion sensor lighting systems to provide for a safe working environment and illumination under emergency conditions.
Project Area Access, Safety and Security

Landowners do not currently allow public access to the Project Area. Both the Project gates and land owner gates will be secured shut and only people authorized to use the property will be allowed onto to the project site.

The substation and Operations and Maintenance building will be fenced as required for public safety. Turbine towers will be locked. The substation will be fenced and locked to prevent unauthorized entry.

All fires will be extinguished immediately by IWNA personnel, if there is no danger to life or personal safety, and the appropriate landowner and the county sheriff's department will be notified immediately. Some fire-fighting equipment will be located in vehicles and in the Operations and Maintenance building. If the fire cannot be safely extinguished by IWNA personnel, the landowner and sheriff will be so advised. Fire deterrents within the wind project will include access roads, which may serve as fire breaks and regular clearing of vegetation from areas around transformers, riser poles, and the substation.

Safety signing will be posted around all towers (where necessary), transformers, and other high-voltage facilities, and along roads, in conformance with applicable state and Federal regulations.

Project Construction

The Project will be constructed using standard construction procedures. The following sections summarize the schedule and sequence of construction activities, and the procedures used during construction activities.

Construction Schedule and Sequence

Proposed project construction could begin July 2008 immediately after all county permitting requirements are obtained and an interconnection agreement is signed. This project should take about six to eight months to construct, with a service life of approximately 25 years. General engineering and construction activities will include:

Design Engineering: Detailed site engineering will commence when turbine locations are firmly established following permit issuance.

Marking of Impact Areas: 15 days or more prior to the commencement of construction, stakes or other markers will be used to identify boundaries of the area to be impacted by construction.

Road Construction: Road construction will include clearing and grading service road routes and placement of road subgrade and surface material.
Turbine Site Preparation: Site preparation will include clearing and grubbing of vegetation of an area sufficient to lay down turbine components and to assemble the blades onto the hub.

Foundation Construction: Installation of the foundation will include excavation of the foundation pit, construction of the steel frame for the concrete form, pouring of concrete and burial and re-grading of the foundation surface area. Following re-grading, a crane pad will be constructed for the next phase.

Turbine Installation: Installation of the turbine will include the use of a helper crane and main crawler crane to assemble the four tower section, nacelle and rotor (hub and blades).

Turbine Commissioning: Commissioning will occur once a turbine has been connected to the electrical system connecting the turbine to the SCADA system and substation.

Electrical System Construction: Construction of the electrical collection system will occur coincidentally with the foundation construction and will involve trenching and laying the electrical wires and fiber optic control cable from the turbine to the maintenance facility. The substation and switchyard will be constructed concurrently.

Operations and Maintenance Building: The construction of the Operations and Maintenance Building will occur concurrently with the construction of the substations and switchyard.

Restoration: Site restoration will be completed following completion of the main ground disturbance activities, starting with the completion of the foundation construction.

Construction Activities

Clearing and Grading: As one of the first steps in the construction process, existing trees and shrubs will be cleared from planned construction impact areas. Clearing will be completed around each turbine location to facilitate construction of a crane pad, assembly of the rotor and to allow for staging of the four tower sections and nacelle. Clearing may also be required in some areas to facilitate construction of the electrical system. Clearing will be kept to the minimum necessary for construction purposes.

Service Road Construction: Service roads will be constructed using standard construction methods. Following clearing and grubbing, topsoil stripping and stockpiling, the subgrade will be shaped and compacted. Where necessary, drainage swales or ditches will be constructed along the road bed to allow drainage of surface water. After the subgrade is shaped and compacted, a geotextile fabric will be placed and covered with a layer of gravel surfacing to provide an all weather surface for the roads.

Turbine Foundation Construction: Geotechnical studies of the Project Area and borings at sample turbine locations indicate that soil conditions are well suited for the typical isolated spread footing foundation design. These studies indicate that foundation
excavation can be performed with standard excavators, and no blasting will be necessary to construct the foundations. Foundation construction will start with excavation of the area. The framework of the foundation will then be constructed of re-bar and anchor bolts. The foundation will be completed with concrete. Each foundation is expected to require approximately 250 cubic yards of concrete. A grounding system will be installed as part of the foundation system. After the foundation is built and poured, the area around the foundation will be backfilled with stockpiled subsoil and topsoil.

_Turbine Assembly:_ Construction cranes will be used to assemble the turbines. The main crawler crane will have a lifting capacity of approximately 400 tons and will be assembled on-site. Once assembled, it will have a track width of approximately 30 feet and will be able to move slowly across relatively level terrain. Upon completion of the foundation, each of the four (4) tower sections will be raised and set in place. The main crawler crane will then place the nacelle atop the tower. With support from a helper crane, the main crawler crane will raise each rotor to the nacelle where ironworkers will bolt the rotor to the nacelle. Upon installation of the rotor, all crane-dependent work will be completed for the turbine, and the main crawler crane will be relocated to complete the assembly of another turbine.

_Electrical System Trenching:_ Where possible, electrical collection cables will be installed using direct burial methods such as cable plow, rock saw or trencher.

**Construction Work Force**

There will be 100-200 workers on site during the six month construction period. The work force is expected to peak approximately three months into the construction process.

**Sources of Aggregate and Concrete**

The Project will require significant quantities of aggregate for construction of foundations and service roads. Existing regional, commercially-available sources aggregate are expected to be able to supply the Project needs, and no new mining operations are planned in the Project area to support Project construction.

A temporary concrete batch plant will be onsite, but the location has not been determined. It will be used for mixing of the turbine pads and foundations. The source of concrete will be determined when the final bid is awarded.

**Construction Material Deliveries and Storage**

Major equipment and materials deliveries required for Project construction include:

- Special purpose trucks carrying turbine components:
  - Blades
  - Tower sections
  - Nacelles
• Rotor hubs
• A heavy load truck carrying the main station transformer
• Standard Trucks carrying raw materials and equipment:
• Spools of electric system cables
• Pad-mount transformers
• Re-bar and anchor hardware for turbine foundations
• Pad-mount transformers and substation equipment
• Sand and stone aggregate
• Concrete trucks with concrete for foundations
• Trucks carrying construction vehicles
• Cranes
• Bulldozers and excavators

The contractor will have most deliveries offloaded at the point where they will be used. Turbine components, including nacelles, blades, hubs, and tower sections, will be delivered directly to the turbine sites. Some materials such as cables and foundation hardware will likely be offloaded and temporarily stored in the construction laydown area.

**Sediment and Erosion Control During Construction**

Potential impacts associated with sedimentation and erosion during construction will be minimized by siting the turbines, service roads and electrical collection system in relatively flat locations. Prior to construction, a Storm Water Pollution Prevention Plan (SWPPP) will be prepared for implementation in accordance with Washington Department of Ecology permit requirements and guidance documents. The SWPPP will include best management practices to minimize and control sediment and erosion.

**Final Grading and Restoration**

Disturbed areas within the Project Area will be graded. Areas that have been temporarily disturbed by construction activities will be restored and reseeded with native vegetation.

**Road and Pad Construction**

Service roads will be constructed in accordance with landowner easement agreements. Roads will be located to minimize disturbance and maximize transportation efficiency and to avoid sensitive resources and steep topography.

Roads will be built and maintained to provide safe operating conditions at all times. The minimum full surfaced travel way width will be 16 ft; overall surface disturbance could be up to 35 ft wide. Disturbance width may increase in steeper areas due to cuts and fills necessary to construct and stabilize roads on slopes.
Topsoil removed during new road construction will be stockpiled in elongated piles within road easements. Topsoil will be re-spread on cut-and-fill slopes and these areas will be reclaimed in accordance with easement agreements.

During construction and operation of the wind project, traffic will be restricted to the roads developed for the project. Use of unimproved roads will be restricted to emergency situations. Speed limits will be set to ensure safe and efficient traffic flow. Signs will be placed along the roads, as necessary, to identify speed limits, travel restrictions, and other standard traffic control information.

Turbine pads will be constructed using standard cut-and-fill procedures.

**Trenching and Placement of Underground Electrical and Communications Cables**

Underground electrical and communications cables will be placed in approximately 1-ft wide trenches along the length of each turbine string corridor. In some cases, trenches will run from the end of one string to the end of an adjacent string to connect more turbines together via the underground network. Trenches will be excavated to below frostline and electric distribution and communications cables will be placed in the trench using trucks. Electrical cables will be installed first and the trench will be partially backfilled prior to placement of the communications cables. Trenches will be backfilled and the area revegetated concurrently with revegetation of other construction areas. An estimated 87 transformers will be used to step up low voltage power to 34.5 kV and approximately 54 mi of underground power cable will be installed.

**Installation of FAA-required Lights**

Federal Aviation Administration (FAA)-required lights will be installed on the nacelle prior to lifting the nacelle onto the turbine tower. Power to the lights will typically be provided by the turbine; when turbines are not generating power, power to the lights will be provided by the existing grid.

**Project Operation**

IWNA intends to operate and maintain the Project after construction is completed. All turbines, collection and communications lines, substations, and transmission lines will be operated in a safe manner according to standard industry operation procedures. Routine maintenance of the turbines will be necessary to maximize performance and detect potential difficulties. Each turbine will be remotely scanned by computer every day to ensure operations are proceeding efficiently. Any problems will be promptly reported to on-site personnel, who will perform both routine maintenance and most major repairs. Most servicing will be performed up-tower, without using a crane to remove the turbine from the tower. Additionally, all roads, pads, and trenched areas will be regularly inspected and maintained to minimize erosion.
Access roads will be maintained during project operations to prevent off-road detours due to ruts, mud holes, landslides, etc. Roads will be maintained as needed; it is anticipated that maintenance will occur twice per year but more frequent maintenance will be performed, if needed, to maintain roads in an condition acceptable to the county (for county roads) and to the landowner (for private roads). All fuels and/or hazardous materials will be properly stored during transportation and at the job site. Workers will be instructed to keep all job sites in a sanitary and safe condition. Workers will be expected to respect the property rights of private landowners.

Activities

Long-term operation and maintenance activities will include:

- 24-hour a day monitoring of the safety and control system, the performance of each turbine, and the Project output.
- Controlling turbine operations to meet scheduled power deliveries and outages.
- Periodic, routine testing and maintenance of turbines.
- Maintenance of service roads.
- Repair project equipment.
- Security.

Work Force

The Project will employ 6 to 10 full time staff. This staff will include a manager, various maintenance technicians and field staff. They will monitor the facility and its grounds.

Reclamation and Abandonment

Reclamation will be conducted on all disturbed areas to comply with easement agreements. The short-term goal of reclamation will be to stabilize disturbed areas as rapidly as possible, thereby protecting sites and adjacent undisturbed areas from degradation. The long-term goal will be to return the land to approximate pre-disturbance conditions.

After construction is complete, temporary work areas will be graded to the approximate original contour and the area will be revegetated with approved seed mixtures. IWNA will consult with the Natural Resources Conservation Service on appropriate reclamation methods and seed mixtures and will obtain approval from landowners to implement the appropriate practices. Most post-construction work will entail stabilizing slopes; scarifying soils to reduce compaction; and reseeding unused disturbed areas including portions of turbine pads not required for operation and maintenance, road cuts-and-fills, underground power line trenches, and overhead power line routes. Approximately 69% of new disturbance will be reclaimed upon construction completion.
At the end of the project's useful life (estimated at 25 years), IWNA will obtain any necessary authorization from the appropriate regulatory agency or landowner to abandon the wind project. Turbines, towers, and transformers will be removed and recycled or disposed of at approved facilities. Foundations will be abandoned in place to a depth of 3 to 4 ft below grade. All private project roads will revert to landowner control. Underground power and communication lines will be abandoned in place; overhead power lines and poles will be removed. Reclamation procedures will be based on site-specific requirements and techniques commonly employed at the time the area is to be reclaimed and will include regrading, topsoiling, and revegetation of all disturbed areas.
Figure 1.3

- Lightning Rod
- Nacelle Ground Grid
- Turbine Bed Plate
- 1 X 250 MCM, THHN
- 1 X 250 MCM, THHN
- Copper Grounding Cable
- Lightning Receptor
- Controller
- LVDP
- Tower Flange
- Pad Mount XFMW
- 4 X 250 MCM, THHN (4 Conduits)
- Ground Grid
Exhibit B

Project Site Layout
Exhibit C

Project Land Legal Description and Landownership Interests
MEMORANDUM OF LEASE

Grantor:
Grantee:
Legal:
Tax Parcel Nos.: [fill in]
Cross Reference:

This Memorandum of Lease is made as of this _____ day of ____________, 20___, by and between ______________________, a ________________________ (hereinafter, "Lessee"), and the State of Washington, Department of Natural Resources (hereinafter, "State"), who agree as follows:

1. **Lease Term and Premises.** State has leased to Lessee, and Lessee has leased from State, pursuant to a Lease of even date herewith (the "Lease"), the real property located in _________ County, Washington, described in Exhibit A attached hereto (the "Premises"), for a term of ______ years, commencing ______________. The provisions of the Lease are incorporated herein.

2. **Provisions Binding on State and Lessee.** All of State and Lessee covenants under the Lease, both affirmative and negative, are intended to and shall bind State and Lessee respectively, in accordance with their terms, and their respective successors, and shall inure to the benefit of themselves and their respective successors.

3. **Purpose of Memorandum.** This Memorandum is prepared for the purpose of recordation to give notice of the Lease. It shall not constitute an amendment or modification of the Lease.

EXECUTED as of the date first above written.

Wind Power Development

Lease No. 60-079583
LESSEE:

__________________________

__________________________

By ________________________

__________________________

Title

Approved as to form this
_____ day of ____________, 20__

ASSISTANT ATTORNEY GENERAL

STATE:

STATE OF WASHINGTON,
DEPARTMENT OF NATURAL RESOURCES

By ________________________

Its ________________________
NOTARIAL CERTIFICATE
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF __________________________)

COUNTY OF _________________________)

) ss.

I certify that I know or have satisfactory evidence that __________________________ [name(s)] (is / are) the person(s) who appeared before me, and said person(s) acknowledged that (he / she / they) signed this instrument, on oath stated that (he / she / they) (was / were) authorized to execute the instrument, and acknowledged it as the __________________________ [office(s) or title(s)] of __________________________, (business name of the Lessee) to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in the instrument.

DATED: __________________________

(Seal or Stamp) __________________________

NOTARY PUBLIC in and for the State of __________________________
My appointment expires __________________________
NOTARIAL CERTIFICATE
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF WASHINGTON )
) ss
County of ____________ )

On this ______________ day of __________________, 20__, personally appeared before me ____________________, to me known to be the Commissioner of Public Lands of the Department of Natural Resources, State of Washington, who executed the within and foregoing instrument on behalf of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of the State of Washington for the uses and purposes therein mentioned, and on oath stated that [he/she] was authorized to execute said instrument and that the seal affixed is the official seal of the Commissioner of Public Lands for the State of Washington.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

DATED: ________________________________

(Seal or Stamp) NOTARY PUBLIC in and for the State of ____________________________
My appointment expires ____________________________

Wind Power Development 49 Lease No. 60-079583
EXHIBIT A TO MEMORANDUM OF LEASE

Legal Description

Those portions of N¼N¼, SE¼NE¼, SE¼NW¼, SE¼NE¼, NW¼SE¼, NE¼SW¼ Section 22, Township 17 N, Range 21 East, W. M., in state ownership and south of the Vantage Highway, as shown on the attached map, containing approximately 321.55 acres.

Portions of the S¼SW¼ and SE¼ of Section 18, Township 17 N, Range 22 East, W. M., south of the Vantage Highway as shown on the attached map, containing approximately 147.14 acres.

Portions of the NE¼, NW¼, portions of the SW¼, and portions of the NE¼SE¼ Section 20, Township 17 N, Range 22 East, W. M., in state ownership and south of the Vantage Highway, and North of Interstate 90 as shown on the attached map, containing approximately 435.35 acres.
14.16 Exhibits. This agreement is subject to the terms and conditions of exhibits referenced herein, which are attached hereto and by this reference made a part hereof.

Exhibits:  
Exhibit A: Legal Description of Premises and Encumbrances  
Exhibit B: Reclamation Plan Requirements  
Exhibit D: Memorandum of Lease  
Exhibit E: Lease Termination and Surrender Agreement

INVENGERY NORTH AMERICA
INVENERGY LLC
UBI: 602 353 534

Dated: ___________, 20 __

Doug Carter, Vice President

One South Wacker Drive Suite 2020
Chicago, IL 60606
720-283-6294

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: ___________, 20 __

DOUG SUTHERLAND
Commissioner of Public Lands

Approved as to form this
19th day of June, 2006
Roger A. Braden, Assistant Attorney General

Wind Power Development 41
Lesse No. 60-079583
NOTARIAL CERTIFICATE
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF [Colorado] ss.
COUNTY OF [Douglas] ss.

I certify that I know or have satisfactory evidence that [name(s)] (is / are) the person(s) who appeared before me, and said person(s) acknowledged that (he / she / they) signed this instrument, on oath stated that (he / she / they) (was / were) authorized to execute the instrument, and acknowledged it as the [office(s) or title(s)] of [Conway Energy Wind North America] (business name of the Lessee) to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in the instrument.

DATED: 2-19-2007

(Seal or Stamp)

[Signature]
NOTARY PUBLIC in and for the State of [Colorado]
My appointment expires 8-29-2009

KATHERINE S MOSER
Notary Public
State of Colorado
NOTARIAL CERTIFICATE
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF WASHINGTON )
County of  Thurston   )

On this 12 day of June , 2007, personally appeared before me Doug Sutherland, to me known to be the Commissioner of Public Lands of the Department of Natural Resources, State of Washington, who executed the within and foregoing instrument on behalf of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of the State of Washington for the uses and purposes therein mentioned, and on oath stated that [he/she] was authorized to execute said instrument and that the seal affixed is the official seal of the Commissioner of Public Lands for the State of Washington.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

DATED: 6-12-07

Bonita A. Hill
NOTARY PUBLIC in and for the
State of Washington
My appointment expires 5-19-09

Wind Power Development 43 Lease No. 60-079583
EXHIBIT A

Legal Description of Premises and Encumbrances

Those portions of N¼N¼, SE¼NE¼, SE¼NW¼, SE¼NE¼, NW¼SE¼, NE¼SW¼ Section 22, Township 17 N, Range 21 East, W. M., in state ownership and south of the Vantage Highway, as shown on the attached map, containing approximately 321.55 acres.

Portions of the S½SW¼ and SE¼ of Section 18, Township 17 N, Range 22 East, W. M., south of the Vantage Highway as shown on the attached map, containing approximately 147.14 acres.

Portions of the NE¼, NW¼, portions of the SW¼, and portions of the NE¼SE¼ Section 20, Township 17 N, Range 22 East, W. M., in state ownership and south of the Vantage Highway, and North of Interstate 90 as shown on the attached map, containing approximately 435.35 acres.

Subject to easement for right of way for highway heretofore granted under Application No. 50-SR1044, for an indefinite term.
Subject to the rights of the holder of Grazing Lease No.10-B68915.
Subject to the rights of the holder of Oil & Gas Lease No. 63-075170.
Subject to easement for right of way for telephone line heretofore granted under Application No. 50-025699, for an indefinite term.
Subject to easement for right of way for power line heretofore granted under Application No. 50-023885, for an indefinite term.
Subject to easement for right of way for county road heretofore granted under Application No. 50-CR2932, for an indefinite term.
Subject to the rights of the holder of Oil & Gas Lease No. 63-075201.
Subject to easement for right of way for telephone line heretofore granted under Application No. 50-023700, for an indefinite term.
Subject to easement for right of way for telephone line heretofore granted under Application No. 50-024910, for an indefinite term.
Subject to easement for right of way for power line heretofore granted under Application No. 50-023886, for an indefinite term.
Subject to easement for right of way for highway heretofore granted under Application No. 50-SR1046, for an indefinite term.
Subject to the rights of the holder of Oil & Gas Lease No. 63-075202.
EXHIBIT F

FORM OF MEMORANDUM OF LEASE

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made and entered into as of this ____ day of ________, 2006, by and between by and between the Gerard Trust ("Owner"), and Invenergy Wind North America LLC, a Delaware limited liability company ("Tenant").

1. Pursuant to that certain Wind Energy Lease Agreement (the "Lease") executed by Owner and Tenant dated as of November 15, 2006, Owner has leased to Tenant certain real property (the "Property") to develop, construct and operate commercial wind power electric generation facilities consisting of wind power turbines and generators capable of producing electric energy and associated power lines, substations, equipment, roadways and such other items or appurtenances that are used or useful in connection with the generation, production, transmission, interconnection and sale of electrical energy. The Property is situate in the County of Kittitas, State of Washington and is more particularly described in Schedule A attached hereto.

2. The term of this Lease ("Term") shall include and consistent of the Development Term, the Development Term Extension, the Operating Term and the Extended Term. The Development Term may extend for a period of up to three (3) years from and after the date first written above (the "Effective Date"). The Development Term Extension is a contingent period that may commence upon the expiration of the Development Term and extend an additional two (2) years thereafter. The Operating Term is a contingent period that may commence on or before the end of the Development Term Extension and extend for a period of twenty-five (25) years thereafter. The Extended Term is a contingent period that may commence upon the expiration of the Operating Term and extend for a period of ten (10) years thereafter.

3. This Memorandum of Lease is subject to all of the terms, conditions and understandings set forth in the Lease, which are incorporated into this Memorandum by this reference as though fully set forth. It shall not constitute an amendment or modification of the Lease. In the event of a conflict between the terms and conditions of this Memorandum of Lease and the terms and conditions of the Lease, the terms and conditions of the Lease shall prevail.

4. This Memorandum of Lease may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes, but all of which together shall constitute one and the same instrument.
EXECUTED as of the date first written above.

"Owner"

The Gerard Trust

By: Donald Gerard

Name: Donald Gerard

Its: Administrator and Trustee

"Tenant"

Invenergy Wind North America LLC,
a Delaware limited liability company

By: Douglas B. Carter

Name: Douglas B. Carter

Its: Vice President
STATE OF WASHINGTON  
  )
  San Juan  
  ) ss.
COUNTY OF KITITAS  
  )

On this 6th day of April, 2007, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared DONALD GERARD, to me known to be the individual who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

[Signature]
Print Name: Rolland R. Rueb
Notary Public in and for the State of Washington, residing at Eastsound
My commission expires: May 30, 2008

STATE OF  
  )
  ) ss.
COUNTY OF Douglas  
  )

On this 5th day of April, 2007, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared DOUGLAS B. CARTER, to me known to be the person who signed as VICE PRESIDENT of INVENERGY WIND NORTH AMERICA LLC, a Delaware limited liability company, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the corporation, that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

[Signature]
Print Name: Katherine S. Moser
Notary Public in and for the State of Colorado, residing at
My commission expires: 8/29/09
WIND ENERGY LEASE AGREEMENT

This Lease Agreement (this "Lease") dated this day of \text{February 1}, 2007 (the "Effective Date") between Doris E. Clef (collectively "Owner") and Invenergy Wind North America LLC ("Tenant").

WHEREAS, Owner owns that real property described on Exhibit A hereto (the "Property"), and

WHEREAS, the parties have agreed that Owner shall lease the Property to Tenant, and Tenant shall lease the Property from Owner, for construction and operation of a wind energy conversion facility and related electrical generation and transmission structures on the Property in accordance with the terms hereof,

NOW THEREFORE, it is hereby agreed as follows:

1) Term. The term of this Lease ("Term") shall include and consist of the Development Term, the Development Term Extension (if any), the Operating Term, and the Extended Term (if any).

   a) Development Term. The development term ("Development Term") shall commence as of the Effective Date and shall end upon the first of the following dates to occur.

      i) The date that is three (3) years from and after the Effective Date, unless otherwise extended pursuant to this Section 1(a);

      ii) The date the Tenant shall terminate this lease, in accordance with Section 3.

      iii) The Commercial Operations Date (as defined herein)

Tenant may, at its option, extend the Development term for two (2) additional years by making an additional one-time payment to the Owner of ten thousand dollars ($10,000) prior to the expiration of the three-year Development Term. This contract will terminate if the Operations Term has not commenced by the end of the Development Term (as such Development Term may be extended).

   b) Operating Term. The operating term ("Operating Term") shall commence on the Commercial Operations Date and continue until the twenty-fifth (25th) anniversary of the Commercial Operations Date. Tenant may, at its option extend the Operating Term for an additional period of twenty-five (25) years ("Extended Term") by providing Owner with notice of such extension at least ninety (90) days prior to the expiration of the Operating Term.

2) Lease and Use. In consideration of the payments to be made by Tenant and the covenants set forth herein, Owner hereby leases the Property to Tenant, and Tenant
hereby leases the Property from Owner for development, construction, operation, maintenance and removal of a wind energy conversion facility and related electrical generation and transmission structures (collectively the "Windpower Facilities") on, over and across the Property. Tenant and Owner hereby terminate the Access Agreement, effective as of the date hereof.

3) Term of Lease. This Lease shall be for a term of twenty-five (25) years beginning on the date hereof, subject to the right of renewal set forth below.

4) Right of Renewal. Tenant shall have the right of renewal for one (1) additional twenty-five (25) year period by serving written notice upon Owner not less than ninety (90) days prior to the date of expiration of the current term.

5) Rent

Beginning upon the execution of the Lease, and continuing until the earlier of the termination of the Lease or the date that the portion of the Windpower Facilities that is located on the Property is fully operational and generating electricity ("Commercial Operations Date"), Tenant shall pay Owner the amount of Seven Dollars ($7.00) per acre of the Property, per calendar year. On the Property Commercial Operation Date, and on its anniversary each year thereafter, Tenant shall pay to Owner, by installments due within sixty (60) days, in an amount equal to the greater of

(a) Four Thousand Dollars ($4,000.00) for each wind turbine installed on the Property, escalated at the rate of Two Percent (2%) per calendar year; or

(b) Percentage of Gross Revenue as set forth below.

(i) four point five percent (4.5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years one (1) through ten (10) of the Operating Term,

(ii) five percent (5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years eleven (11) through twenty (20) of the operating term,

(iii) five point five percent (5.5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years twenty-one (21) through twenty-five (25) of the Operating Term and any Calendar year during the Extended Term.

The amounts payable hereunder for a calendar year shall be prorated based on a 365-day year for each wind turbine for which the completion of installation or removal occurs during such year,
based on the number of days in such year following the completion of installation or prior to the completion of removal, as applicable.

(i) For purposes hereof, the term "Gross Revenues" means the aggregate total revenue actually received by Tenant during the applicable period of time, from the sale, to the purchaser of electricity, of electrical energy generated and sold from wind turbines then located on the Property.

(ii) For purposes hereof, the term "Gross Revenues" shall exclude, without limitation, revenues received: (1) from the sale, assignment, transfer or other disposition of Windpower Facilities or any other of Tenant's improvements (and any interest therein); (2) from sales of electrical energy produced by wind turbines not located on the Property; (3) from any rental or other payment received by Tenant in exchange for Tenant's assigning, mortgaging or otherwise transferring all or any of its interest in this Agreement; (4) from the sale, modification or termination of any obligation under a power purchase contract; (5) from parasitic or other loss (i.e., electrical energy used to power Windpower Facilities or Development Activities, or lost in the course of transforming, shaping, transporting or delivering the electricity); (6) from sales of electrical energy for which payment is not received (including because of a default by the purchaser thereof); (7) as reimbursement or compensation for wheeling costs or other electricity transmission or delivery costs; or (8) from production tax credits, other tax benefits and credits, or any reimbursement thereof received by Tenant.

(iii) In the event that electrical energy produced from wind turbines located on the Property is commingled with electrical energy produced from wind turbines located on other lands, then Tenant shall, using such methods, calculations, procedures and/or formulae as Tenant may in good faith adopt, allocate to the Property a portion of the Gross Revenues received from such commingled electrical energy.

6) Representations and Warranties. Owner makes the following representations and warranties:

a) Owner is the sole owner of the Property and has the unrestricted right and authority to execute this Agreement and to grant to Tenant the rights granted hereunder. Each person signing this Agreement on behalf of Owner is authorized to do so. When signed by Owner, this Agreement constitutes a valid and binding agreement enforceable against Owner in accordance with its terms.

b) Owner represents that there are no unrecorded liens, encumbrances, leases, mortgages, security interests, deeds of trust (except as disclosed to Tenant in writing), or other exceptions (collectively, "Liens") to Owner's fee title ownership of the Property or to Owner's right, title or interest in the Property. Except as may be disclosed in the Real Property Records of Kittitas County, in the State of Washington, or as disclosed by Owner in writing to Tenant, Owner represents that there are no Liens encumbering all or any portion of the Property. Owner shall fully cooperate and assist Tenant, at no out-of-pocket expense to Owner, in obtaining a subordination and non-disturbance agreement from each party that holds a Lien (recorded or
unrecorded) that might interfere with Tenant's rights under this Lease.

c) No litigation is pending, and, to the best of Owner's knowledge, no actions, claims or other legal or administrative proceedings are pending, threatened or anticipated with respect to, or which could affect, the Property. If Owner learns that any such litigation, action, claim or proceeding is threatened or has been instituted, Owner shall promptly deliver notice thereof to Tenant.

d) To the best of Owner's knowledge and without limiting the generality of the foregoing, (i) no underground tanks are now located or at any time in the past have been located on the Property or any portion thereof, (ii) no asbestos-containing materials, petroleum, explosives or other substances, materials or waste which are now or hereafter classified or regulated as hazardous or toxic under any Law (each, a "Hazardous Material") has been generated, manufactured, transported, produced, used, treated, stored, released, disposed of or otherwise deposited in or on or allowed to emanate from the Property or any portion thereof other than as permitted by all health, safety and other Laws (each, an "Environmental Law") that govern the same or are applicable thereto and (iii) there are no other substances, materials or conditions in, on or emanating from the Property or any portion thereof which may support a claim or cause of action under any Environmental Law. Owner has not received any notice or other communication from any governmental authority alleging that the Property is in violation of any Environmental Law.

e) To the best of Owner's knowledge the Property is in full and complete compliance in all material respects with all governmental laws, ordinances, rules and regulations applicable to the Property.

f) Owner has the full power and authority to enter into this Lease, and this Lease does not violate and will not violate any contract, agreement, instrument, judgment or order to which Owner is a party or the Property subject.

7) Rights of Tenant. Tenant shall have:

a) The right to enter upon the Property and conduct activities prior to construction of the Windpower Facilities that are reasonably necessary in connection with development of the Property for such purposes, including without limitation, erection and maintenance of meteorological towers, collection of data, taking soil samples, release of weather balloons, surveying, designing and other activities reasonably necessary to plan or develop a wind energy conversion facility.

b) The right of ingress and egress over the Property by means of roads and lanes where there are such, otherwise by such route or routes as shall least damage and inconvenience Owner.

c) The right to enter upon the Property and conduct activities at such times as Tenant may deem necessary for the purpose of constructing, operating and maintaining and removing the Windpower Facilities and related electrical generation and transmission
structures and for transmission of the energy generated by the Windpower Facilities and all activities reasonably necessary or appropriate for such purposes, including, without limitation, constructing, installing, operating, maintaining and removing the following:

i) foundations, concrete pads and footings;
ii) wind turbine units;
iii) guy wires, support fixtures, anchors and fences;
iv) buildings needed for the maintenance of wind turbine units and maintenance and storage of related equipment;
v) electrical transformers and energy storage facilities;
vi) electric transformers, electric distribution and transmission towers and lines either above ground or under ground;
vii) substations or switching facilities for the purpose of connecting to transmission system;
viii) roads providing access from public roads to the facilities.

d) The right to install, maintain and use gates in all fences that now cross or shall hereafter cross the Property.

e) The right to conduct all other activities reasonably determined by Tenant to be necessary or useful to accomplish the general purposes of this Lease.

f) The right and privilege to permit the rotors of turbines located on adjacent properties to overhang a portion of the Property identified and shown on Exhibit B of this Lease. Owner shall not interfere with the operation of turbine rotors that overhang the Property.

(g) The right and entitlement to cause on, over, across, and under Owner's Property such noise, audio, visual, view, light, vibration, air turbulence, wake, electromagnetic, television reception, ice or other weather-created hazards (including but not limited to ice falling from the Windpower Facilities onto Owner's Property) effects, or other effects of any kind whatsoever resulting directly or indirectly from (a) any operations or activities of any Wind Project or (b) the Windpower Facilities, including any portion of the Windpower Facilities now or hereafter located on the Property (collectively, the "Effects"). By granting this permission, Owner on behalf of him or herself and his or her heirs, successors, and assigns hereby waives and release any right, claim, or cause of action which he or she may now have or which he or she may have in the future against Tenant as a direct or indirect result of said Effects.

(h) The right to test television signal strength and reception at any residence on the Property before Project construction and at reasonable intervals.

8) Rights Reserved by Owner. Subject to Owner's obligations specifically set forth in this Lease, Owner shall have the right to use the Property in any reasonable manner, including specifically for livestock husbandry or for agricultural purposes, provided that such activities shall not interfere with operation of the wind energy facility or related generation and transmission structures or create a risk of damage to or injury to the wind energy facility or related equipment.
9) **Obligations of Tenant.** Tenant shall:

   a) Install Windpower Facilities on the Property within three (3) years of the signature of this Lease. Should Tenant wish to extend such three-year period for an additional two (2) years, Tenant shall make an additional one-time payment ("Extension Payment") to Owner of ten thousand dollars ($10,000) prior to the expiration of such three-year period.

   b) Keep the Property free and clear of all liens for labor and services performed on and materials and equipment supplied to the Property in connection with Tenant's activities on the Property, provided, however, that if Tenant wishes to contest any such lien, Tenant may do so provided that, within ninety (90) days after it receives notice of the filing of such lien, Tenant shall cause such lien to be removed pursuant to applicable law.

   c) Comply with all federal, state and local laws.

   d) Obtain and comply with all permits.

   e) Not use, store, dispose or release Hazardous Materials on the Property, except that Tenant may use hazardous substances in its normal business operations as long as such use is not harmful to Owner and is in full compliance with all applicable laws.

10) **Obligations of Owner.** Owner's activities and any grant of rights Owner makes to any person or entity, whether located on the Property or elsewhere, shall not, currently or prospectively, disturb or interfere with the construction, installation, maintenance, or operation of the Windpower Facilities, whether located on the Property or elsewhere; access over the Property to such Windpower Facilities; or the undertaking of any other activities permitted hereunder. Without limiting the generality of the foregoing, Owner shall not (i) disturb or interfere with the wind speed or wind direction over the Property, whether by placing wind turbines, telecommunication towers or antennas, planting trees or constructing buildings or other structures, or by engaging in any other activity on the Property or elsewhere that could be reasonably expected to cause a decrease in the output or efficiency of the Windpower Facilities, or (ii) disturb the subsurface such that it could be reasonably expected to damage or interfere with the structural integrity of the Windpower Facilities.

Owner shall:

   (a) Consult with Tenant and obtain Tenant's prior written approval as to the location of all structures located one thousand (1,000) feet or less from any turbine or met tower whether located on or off the Property. Approval shall be based on whether, in Tenant's sole judgment, informed by appropriate professional engineering and meteorological opinions obtained at Tenant's expense, the proposed structures at the proposed location are likely to cause interference or inconvenience. This Lease expressly includes the right of Tenant to enter on
any part of the Property to enforce Tenant’s rights, including the physical removal of trees or structures (except existing trees and structures) causing interference or inconvenience. Tenant shall consult with Owner before making any such removals.

(b) Not violate any Environmental Law. Owner shall indemnify Tenant against any such violation that is caused by: (i) any person and exists as of the Effective Date or occurs on or before the commencement of construction of the Windpower Facilities; or (ii) Owner or Owner’s agents and occurs after the commencement of construction of the Windpower Facilities. Owner shall promptly notify Tenant of any such violation.

(c) Cooperate with Tenant, at Tenant’s expense, in obtaining any necessary agreements or approvals from existing lien holders, including mortgagees and any permits, environmental impact reviews or approvals required for the construction or operation of the Windpower Facilities.

(d) Not construct or operate or authorize any other party to construct or operate a wind energy conversion facility on the Property during the term hereof.

11) **Taxes and Utilities.** Owner shall pay real property taxes levied on the Property. However, any increases in real property taxes due to the re-classification of the Property due to the wind energy facilities and use will be paid by Tenant.

   a) Tenant shall pay all personal property taxes levied against the Windpower Facilities and related equipment.

   b) Tenant shall pay for all water, electric, telecommunications and other utility service used by the Windpower Facilities.

   c) To the extent Owner fails to pay any real property taxes for which it is responsible under this Lease and/or Tenant believes its interest under this Lease is threatened due to Owner’s failure to pay any real property taxes, Tenant shall have the right, but not the obligation, in addition to all other remedies available at law, in equity or under this Lease, to pay such real property taxes (together with any penalties and interest), in which event Owner shall immediately reimburse Tenant for such amount (including, without limitation, Tenant’s cost of funds) and Tenant may deduct such amount (including, without limitation, Tenant’s costs of funds) from rent thereafter due under this Lease.

12) **Zoning.** Owner agrees that Tenant may, if it so elects, at any time following execution of this Lease, commence taking any and all actions as it may reasonably determine are necessary or proper to effectuate change of zoning or such other land use regulation of the Property and may apply for any applicable permits or approvals to allow wind energy development on the Property. However, Tenant shall not be allowed to effectuate a change in zoning or other land use regulations which would prohibit agricultural activities. Owner, at Tenant’s expense, shall cooperate with Tenant in Tenant’s efforts to affect such zoning or land use changes or applications. Such
cooperation shall include, without limitation, the execution by Owner of documents or authorizations therefore, provided, however, that all costs and expenses incurred or assessed directly or indirectly with respect to effectuating such changes shall be borne by Tenant, including any additional taxes. If such regulations are changed at the end of the term of this Lease, Tenant shall assist and reimburse Owner for their actual and reasonable costs of changing the zoning classification back to its original status if required to allow Owner's continued use of the Property for purposes used as of the date hereof.

Owner hereby waives any and all setbacks and setback requirements, whether imposed by applicable law or by any person or entity, including any setback requirements described in any local, county or state zoning ordinance or law, or in any governmental entitlement or permit heretofore or hereafter issued to Tenant or affiliate for Windpower Facilities installed or constructed or to be installed or constructed at and/or near the common boundary between the Owner's Property and any adjacent property utilized for the Windpower Facilities. Further, if so requested by Tenant or its affiliate, Owner shall, without demanding additional consideration therefore, (a) execute (and if appropriate cause to be acknowledged) any setback waiver, setback elimination or other document or instrument reasonably requested by Tenant or a governmental body in connection therewith and (b) return the same thereto within ten (10) days after such request.

13) **Right of First Refusal.** In the event during the term of this Lease that Owner offers the Property, or any part thereof, for sale, or receives a bona fide offer to purchase acceptable to them, they shall give Tenant notice in writing of their intention to sell and of such offer and the terms and conditions thereof, whereupon, Tenant shall, subject to any rights of first refusal as to the Property held by a third party that pre-dates this lease, have the right and privilege for thirty (30) days after receipt of such notice to purchase the Property or such part thereof that has been offered for sale upon the same terms and conditions contained in said bona fide offer.

14) **Tenant's Indemnity.** Tenant shall indemnify Owner for and hold Owner harmless against all claims, demands, damages, costs and expenses, including attorneys' fees for defending claims and demands, to the extent they arise from any breach on Tenant's part of any terms or conditions of this Lease, or from any act or omission constituting negligence or willful misconduct of Tenant, its agents, contractors, employees or invitees in or about the Property. In case of any action or proceeding brought against Owner by reason of such claim, Tenant, on notice from Owner, shall defend the action or proceeding by counsel acceptable to Owner.

Notwithstanding the foregoing, Owner, due to the location of the Property next to gravel roads or construction areas, may be inconvenienced by construction noise and dust. Additionally, construction traffic in some areas may inconvenience Owner or require Owner to travel by unaccustomed routes to avoid construction traffic. Owner acknowledges Tenant has informed Owner of the potential impacts of construction and agrees (i) that the compensation provided in this Lease Agreement is adequate for the impacts described and (ii) that Tenant shall in no event be liable to Owner for any damages or indemnification related to such construction noise, dust.
and/or traffic.

15) Owner's General Indemnity. In addition to any other specific indemnification obligations of Owner in this Agreement, Owner shall indemnify Tenant for and hold Tenant harmless against all claims, demands, damages, costs and expenses, including attorneys' fees for defending claims and demands, to the extent they arise from any breach on of any terms or conditions of this Lease, from the breach, falsity or inaccuracy of any representation or warranty of Owner under this Lease, or from any act or omission constituting negligence or willful misconduct of Owner, their agents, contractors, employees or invitees in or about the Property. In case of any action or proceeding brought against Tenant by reason of such claim, Owner, on notice from Tenant, shall defend the action or proceeding by counsel acceptable to Tenant.

16) Notification of Legal or Administrative Proceedings. If Owner becomes aware of any litigation or administrative action or proceeding that is instituted or proposed or threatened with respect to the Property, Owner shall promptly notify Tenant thereof.

17) Insurance.

a) Tenant shall maintain appropriate liability insurance covering all of its activities on the Property. Such policy shall contain liability limits of not less than one million dollars ($1,000,000.00) and shall name Owner as an additional insured.

b) The policy shall also provide that it cannot be cancelled without at least thirty (30) days written notice to Owner.

18) Assignment/Mortgage by Tenant.

(a) Tenant may, upon notice to Owner but without Owner's consent or approval, mortgage, collaterally assign, or otherwise encumber and grant security interests in all or any part of the Windpower Facilities and/or Tenant's, assignee's or subtenant's leasehold estate and rights under this Lease (collectively, its "Wind Farm Assets"). These various security interests in all or a part of the Wind Farm Assets are collectively referred to as "Mortgages" and the holders of the Mortgages, their designees and assigns are referred to as "Mortgagees." Tenant shall also have the right without Owner's consent to sell, convey, lease, or assign all or any portion of its Wind Farm Assets on either an exclusive or a non-exclusive basis, or to grant subleases, easements, licenses or similar rights, however denominated (collectively, "Assignments"), to one or more persons or entities (collectively, "Assignees"). Tenant shall provide written notice to Owner of any assignment including the name, address and phone number of the party receiving the assignment. All assignees, grantees or successors of Tenant shall abide by the terms of this Lease. Assignees and Mortgagees shall use the Wind Farm Assets only for the uses permitted under this Lease. Assignees and Mortgagees shall have all rights and remedies allowed them under then existing laws except as limited by their individual agreements with Tenant, provided that under no circumstances shall any Mortgagee or Assignee have any greater rights of ownership or use of the Property than the rights granted to Tenant in this Lease. Whenever Tenant has mortgaged or assigned an interest under this Section, or has conveyed a sublease or
other interest, it will give notice of the mortgage, assignment or conveyance (including the address of the Mortgagee or Assignee for notice purposes) to Owner, provided that failure to give this notice shall not constitute a default under this Lease but rather shall only have the effect of not binding Owner with respect to such mortgage, assignment or conveyance until notice is given.

(b) Any and all mortgages, deeds of trust or liens placed upon or suffered by Owner that encumber the Property or Owner's interest in the Property shall be expressly subject and subordinate in all respects to this Lease, to all of the obligations of Owner hereunder and to all of the rights of Tenant vested or arising hereunder. Owner shall cause any mortgagees or other lien holders to execute and deliver subordination agreements reflecting such subordination in form and substance satisfactory to Tenant.

c) Owner, at Tenant's expense, agrees to consent in writing to financing documents as may reasonably be required by Mortgagees. As a precondition to exercising any rights or remedies related to any alleged default by Tenant under this Lease, Owner shall give written notice of the default to each Mortgagee and Assignee at the same time it delivers notice of default to Tenant, specifying in detail the alleged event of default and the required remedy. Each Mortgagee and Assignee shall have the same amount of time to cure the default as to Tenant's entire interest or its partial interest in the Wind Farm Assets as is given to Tenant and the same right to cure any default as Tenant or to remove any property of Tenant, Mortgagees or Assignees located on the Property. The cure period for each Mortgagee and Assignee shall begin to run at the end of the cure period given to Tenant in this Lease, but in no case shall the cure period for any Mortgagee or Assignee be less than thirty (30) days after receipt of the default notice. Failure by Owner to give a Mortgagee or Assignee notice of default shall not diminish Owner's rights against Tenant, but shall preserve all rights of the Mortgagee or Assignee to cure any default and to remove any property of Tenant, the Mortgagee or Assignee located on the Property.

(d) Any Mortgagee or Assignee that does not directly hold an interest in the Wind Farm Assets, or whose interest is held solely for security purposes, shall have no obligation or liability under this Lease prior to the time the Mortgagee or Assignee directly holds an interest in this Lease, or succeeds to absolute title to Tenant's interest. A Mortgagee or Assignee shall be liable to perform obligations under this Lease only for and during the period it directly holds such interest or absolute title. Any Assignment permitted under this Lease shall release Tenant or other assignor from obligations accruing after the date that liability is assumed by the Assignee.

(e) Tenant will make all reasonable efforts to ensure there is no interference with the existing cell phone tower structures and access roads already on the site.

19) Right to Cure Defaults/Notice of Defaults/Right to New Lease.

a) To prevent termination of this Lease or any partial interest in this Lease, Tenant, and Mortgagee or Assignee shall have the right, but not the obligation, at any
time to perform any act necessary to cure any default and to prevent the termination of this Lease or any interest in the Wind Farm Assets.

b) In the event of an uncured default by the holder of Tenant's entire interest in this Lease, or in the event of a termination of this Lease by agreement, by operation of law or otherwise, each Mortgagee or Assignee of a partial interest in the Wind Farm Assets that is not in default of its obligations, shall have the right to have Owner either recognize the Mortgagee's or Assignee's interest or lease the Property on substantially identical terms as this Lease. Under the new lease, the Mortgagee or Assignee shall be entitled to, and Owner shall not disturb, Mortgagee's or Assignee's continued use and enjoyment for the remainder of the Term (or the Renewal Term), or such shorter term as an Assignee may otherwise be entitled pursuant to its Assignment. Notwithstanding any of the language of this Lease, the Owner is entitled to the full payment and performance of all obligations due by Tenant under this Lease regardless of how those payments and obligations may be divided among Mortgagees, or Assignees.

i) **Extended Cure Period.** If any default by Tenant under this Lease cannot be cured without obtaining possession of all or part of the Wind Farm Assets, then any such default shall be deemed remedied if a Mortgagee or Assignee: (1) within sixty (60) days after receiving notice from Owner as set forth in Section 17(c), acquires possession of all or part of the Wind Farm Assets, or begins appropriate judicial or nonjudicial proceedings to obtain the same; (2) diligently prosecutes any such proceedings to completion; and (3) after gaining possession of all or part of the Wind Farm Assets performs all other obligations as and when the same are due in accordance with the terms of this Lease. If a Mortgagee or Assignee is prohibited by any court or by operation of any bankruptcy or insolvency laws from commencing or prosecuting the proceedings described above, the sixty (60) day period specified above for commencing proceedings shall be extended for the period of such prohibition.

ii) **Certificates, etc.** Owner, at Tenant's expense, shall execute estoppel certificates (certifying as to truthful matters, including without limitation that no default then exists under this Lease, if such be the case), consents to assignment and non-disturbance agreements as Tenant or any Mortgagee or Assignee may reasonably request from time to time. Owner and Tenant shall cooperate in amending this Lease from time to time to include any provision that may be reasonably requested by Tenant or any Mortgagee or Assignee to implement the provisions contained in this Lease or to preserve a Mortgagee's security interest.

20) **Mortgagee Protection.** Any Mortgagee, upon delivery to Owner of notice of its name and address, for so long as its Mortgage is in existence shall be entitled to the following protections which shall be in addition to those granted elsewhere in this Lease:
a) **Mortgagee’s Right to Possession, Right to Acquire and Right to Assign.** A Mortgagee shall have the absolute right:

i) to assign its Mortgage;

ii) to enforce its lien and acquire title to all on any portion of the Wind Farm Assets by any lawful means;

iii) to take possession of and operate all or any portion of the Wind Farm Assets and to perform all obligations to be performed by Tenant under this Lease, or to cause a receiver to be appointed to do so; and

iv) to acquire all or any portion of the Wind Farm Assets by foreclosure or by an assignment in lieu of foreclosure and thereafter without Owner’s consent to assign or transfer all or any portion of the Wind Farm Assets to a third party.

b) **Opportunity to Cure.** During any period of possession of the Property by a Mortgagee (or a receiver requested by a Mortgagee) and/or while any foreclosure proceedings instituted by a Mortgagee are pending, the Mortgagee shall pay or cause to be paid the fees and all other monetary charges payable by Tenant under this Lease which have accrued and are unpaid at the commencement of the period and those which accrue thereafter during the period. Following acquisition of all or a portion of the Wind Farm Assets by the Mortgagee as a result of either foreclosure or acceptance of an assignment in lieu of foreclosure, or by a purchaser at a foreclosure sale, this Lease shall continue in full force and effect and the Mortgagee or party acquiring Tenant’s interest under this Lease shall, as promptly as reasonably possible, commence the cure of all defaults under this Lease and thereafter diligently process such cure to completion, whereupon Owner’s right to terminate this Lease based upon such defaults shall be deemed waived.

c) Any Mortgagee or other party who acquires Tenant’s interest in the Wind Farm Assets pursuant to foreclosure or assignment in lieu of foreclosure shall not be liable to perform the obligations imposed on Tenant by this Lease incurred or accruing after the party no longer has ownership or possession of the Wind Farm Assets.

d) Neither the bankruptcy nor the insolvency of Tenant shall be grounds for terminating this Lease as long as all annual installment payments and all other monetary charges payable by Tenant under this Lease are paid by the Mortgagee in accordance with the terms of this Lease.

21) **New Lease.** If this Lease terminates because of Tenant’s default, if the leasehold interest hereunder is foreclosed, or if this Lease is rejected or disaffirmed pursuant to bankruptcy law or other law affecting creditor’s rights by Tenant and, within ninety (90) days after such event, Tenant or any Mortgagee or Assignee shall have arranged to the reasonable satisfaction of Owner for the payment of all fees or other charges due and payable by Tenant as of the date of such event, then Owner shall execute and deliver to Tenant or such Mortgagee or Assignee or to a designee of one of these parties, as the case may be, a new lease of the Property which (i) shall be for a term equal to the remainder of the Term (or the Renewal Term, if applicable) before giving effect to such rejection or termination; (ii) shall contain the same covenants, agreements, terms, provisions and
limitations as this Lease (except for any requirements that have been fulfilled by Tenant or any Mortgagee or Assignee prior to rejection or termination of this Lease); and, (iii) shall include that portion of the Wind Farm Assets in which Tenant or such other Mortgagee or Assignee had an interest on the date of rejection or termination.

a) After the termination, rejection or disaffirmation of this Lease and during the period thereafter during which any Mortgagee shall be entitled to enter into a new lease for the Property, Owner will not terminate the rights of any Assignee unless in default under its Assignment.

b) If more than one Mortgagee makes a written request for new lease pursuant to this provision, the new lease shall be delivered to the Mortgagee requesting such new lease whose Mortgage is prior in lien, and the written request of any other Mortgagee whose lien is subordinate shall be void and of no further force or effect.

c) The provisions of this Section 21 shall survive the termination, rejection or disaffirmation of this Lease and shall continue in full force and effect thereafter to the same extent as if this Section 21 were a separate and independent contract made by Owner, Tenant and each Mortgagee, and, from the effective date of such termination, rejection or disaffirmation of this Lease to the date of execution and delivery of such new lease, such Mortgagee may use and enjoy the Property without hindrance by Owner or any person claiming by, through or under Owner; provided that all of the conditions for the new lease as set forth above are complied with.

22) **Mortgagee's Consent to Amendment, Termination or Surrender.** Notwithstanding any provision of this Lease to the contrary, the parties agree that so long as there exists an unpaid Mortgagee, this Lease shall not be modified or amended, and Owner shall not accept a surrender, cancellation or release of all or any part of the Wind Farm Assets from Tenant, prior to expiration of the Term (or Renewal Term, if applicable) without the prior written consent of the Mortgagee. This provision is for the express benefit of and shall be enforceable by each Mortgagee as if it were a party named in this Lease. It shall be the Tenant's and any Mortgagee's obligation to notify the Owner that there exists an unpaid mortgage. The provisions of this paragraph will not apply if Owner has not been notified that an unpaid mortgage exists.

23) **Liens.** On the commencement of the Term, the Property shall be free and clear of all monetary liens other than those expressly approved by Tenant. Thereafter, any assignment of this Lease, mortgage, deed of trust or other monetary lien placed on the Property by Owner, or permitted by Owner to be placed or to remain on the Property, shall be subject to this Lease, to any Assignment or Mortgage then in existence on the Wind Farm Assets as permitted by this Lease, to Tenant's right to encumber the Wind Farm Assets, and to any and all documents executed or to be executed by Owner in connection with Tenant's development of all or any part of the Property. Owner agrees to cause any monetary liens placed on the Property by Owner in the future to incorporate the conditions of this Section 23.
24) **Condemnation.**

a) In the event that the Property or any part thereof is taken by condemnation, the parties shall negotiate in good faith to amend this Lease to relocate the facilities, or, at Tenant's option, the agreement shall be terminated.

b) Owner shall be entitled to receive all condemnation payments except any amount awarded to compensate for removal or relocation of the wind facility, loss or damage to any wind facility which Tenant cannot remove or is required not to remove, or loss of use or value of this Lease, which such payments shall be paid to Tenant.

25) **Default: Termination.** The following events shall constitute default and allow for termination of this Lease:

a) Tenant's failure to make payments to Owner after sixty (60) days written notice of such overdue payment.

b) Failure to perform any other material term of this Lease that continues for sixty (60) days after written notice to the defaulting party, provided however, that, if it will reasonably take the party longer than sixty (60) days to cure the default, then the party shall be allowed such additional time as may be reasonably necessary to cure the default on the condition that any such extension shall not exceed one hundred eighty (180) days.

c) A party filing for protection or liquidation under bankruptcy laws, except as otherwise provided herein.

d) Tenant shall have the right to voluntarily terminate this Lease by providing Owner written notice of such termination. In the event of such voluntary termination by Tenant, Owner shall be entitled to payment on a pro rated annual basis computed as of the date of notice of voluntary termination or cessation of electrical production, whichever is later.

e) Upon termination of this Lease, Tenant shall, on request of Owner, execute and deliver to Owner a written release, quitclaim deed, or other instrument specified by Owner, evidencing the termination of this Lease. The instrument shall be signed and acknowledged in a form eligible for recordation.

All Windpower Facilities and related equipment on the Property shall be and remain the property of Tenant or the utility installing same. Upon termination of this Lease for any reason, Tenant shall remove all Windpower Facilities from the Property within one hundred eighty (180) days, with the exception of wind turbine foundations, which will be excavated to a depth of five (5) feet and backfilled. If Tenant fails to remove the Windpower Facilities or to restore the surface of the Property within one hundred eighty (180) days of the termination of this Lease, Owner may do so, in which case Tenant shall reimburse Owner for reasonable costs incurred by Owner and Owner may dispose of the facilities and related equipment as Owner sees fit without any further obligation to Tenant or the utility installing the same.
f) Bonding Requirements. In the tenth (10) year of the Operating term, Tenant shall provide to Owner a bond undertaking, or other acceptable credit on favor of Owner, for the costs of removal of Windpower Facilities and restoration of the Property. Such bond or undertaking shall initially be in the amount of $25,000 per wind turbine installed on the Property (the “Initial Restoration Amount”) and shall be issued by an insurance company reasonable acceptable to the Parties, or otherwise in a form and contact reasonably acceptable to the parties. Tenant may fund the Initial Restoration Amount over a period of ten (10) years at the rate of $2,500 per wind turbine installed on the Property per year (the “Yearly Bonding Amount”). The amount of such bond or undertaking shall be reviewed at the tenth (10) anniversary of the Commercial Operations Date and every ten (10) years after thereafter. If, at the 10-year anniversary of the Commercial Operations Date, the Parties reasonable estimation the decommissioning costs shall have increased from the Initial Restoration Amount, then an independent contractor selected by the Parties shall provide a revised estimate of decommissioning costs (“Revised Restoration Amount”). If the Revised Restoration Amount is greater than the Initial Restoration Amount, then Yearly Bonding Amount shall be increased by one-tenth (1/10th) of the difference between the Revised Restoration Amount and the Initial Restoration Amount so that the estimated total decommissioning amount per Turbine shall be fully funded by the twentieth (20) anniversary of the Commercial Operation Date. Notwithstanding any of the foregoing provisions, if the Tenant or its Transferee is an investor-owned electric utility regulated by a state public utility commission, no bond or undertaking in favor of Owner for the removal and restoration costs of Windpower Facilities shall be required, any existing bond or other undertaking for said removal and restoration costs shall be released, and the removal and restoration obligations hereunder shall be a general obligation of the investor-owned electric utility to Owner. In addition, notwithstanding the any of the foregoing provisions, in the event that a Governmental or Regulatory Authority entity (for example Kittitas County, Washington Facility Siting Council) requires a bond or undertaking to remove Windpower Facilities, then the requirements of such Governmental or Regulatory Authority shall supersede this Lease and a bond or undertaking shall no longer be requirement of this Lease.

26) Attorney’s Fees. In the event that either party files suit to enforce any term of this Lease, the prevailing party in such litigation shall be entitled to its reasonable attorney’s fees. If litigation or other legal action shall arise out of this agreement the Tenant will attempt to have venue of litigation in Kittitas County.

27) Notice. Any notice required hereunder shall be in writing and shall be either:

a) delivered in person;

b) delivered by Federal Express or other reputable overnight delivery service to the address given below; or

c) mailed by certified mail, return receipt requested, to the addresses listed below:
i) If to Owner:

Invenergy North America LLC
One South Wacker Drive Suite 2020
Chicago, IL 60606

ii) If to Tenant:

c/o Invenergy LLC
1 South Wacker, Suite 2020 Chicago, IL 60606
Attn: General Counsel

28) Amendment. This Lease may be amended only by a written document executed by both parties.

29) Interpretation. This Lease shall be interpreted under the laws of the State of Washington. If any one or more of the provisions of this Lease is for any reason held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not in any respect, affect any other provision of this Lease, which shall be construed as if it had not included the invalid, illegal or unenforceable provision.

30) Waiver. Any waiver of any term or condition of this Lease must be in writing and executed by both parties in order to be binding.

31) Force Majeure. If either party is unable to perform any obligation required hereunder due to force majeure, other than to make payment of amounts due, such obligation, insofar as it shall be affected by such force majeure, shall be suspended during the continuance of such event, and such default shall thereafter be remedied with all reasonable dispatch. The term “force majeure” shall include acts of God, strikes, lockouts, or other industrial disturbances, civil disturbances, acts of a public enemy, war, blockades, riots, epidemics, earthquakes, explosions, acts of public authorities and governmental regulation.

32) Confidentiality. The parties shall not disclose the terms of this Lease to any third parties.

33) Entire Agreement. This Lease constitutes a full and final expression of the parties' agreement and supersedes all prior oral or written negotiations and agreements.

34) Additional Documents and Action. The parties agree to execute all additional documents and take all reasonable steps that may be necessary to carry out the intent and purpose of this Lease.

35) Consent. If consent of a party is required by this Lease, such consent shall not be unreasonably withheld.
36) **Binding Effect.** This Lease shall be binding upon and shall inure to the benefit of the parties and their heirs, successors and assigns.

37) **Recording.** The Parties shall execute and record a Memorandum of Lease in the records of Kittitas County, Washington, evidencing the execution of this Lease.

38) **Tax Credits.** If under applicable law Tenant becomes ineligible for any tax credit, benefit or incentive for alternative energy expenditure established by any local, state or federal government, then, at Tenant's option, Owner and Tenant shall amend this Lease or replace it with a different instrument so as to convert Tenant's interest in the Property to a substantially similar interest that makes Tenant eligible for such tax credit, benefit or incentive.

39) [The remainder of this page intentionally left blank].
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

NORTH AMERICA

INVENERGY WIND LLC

By: Naomi Bhut
Name: Naomi B. Carter
Title: Vice President

ACKNOWLEDGMENT

STATE OF Colorado
COUNTY OF Douglas

Personally came before me this 2nd day of October, 2007, Douglas Carter Jr., who executed the foregoing instrument, and acknowledged the same, on behalf of Invenergy Wind LLC.

KATHERINE S. MOSER
Notary Public State of Colorado

Name: Katherine S. Moser
Notary Public, State of Washington Colorado
My Commission: 8/29/2004

Doris E. Clerf

By: Doris E. Clerf
Name: Doris E. Clerf
Title: Owner

ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Kittitas

Personally came before me this 14th day of September, 2007, Doris E. Clerf, who executed the foregoing instrument, and acknowledged the same, on behalf of Invenergy Wind LLC.

Name: J. Zofia Komorowski
Notary Public, State of Washington
My Commission: 8-19-2010
## EXHIBIT A

### The Property

**Schedule of Locations:**

<table>
<thead>
<tr>
<th>Parcel Number</th>
<th>County</th>
<th>Acreage</th>
<th>Legal Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-21-09000002</td>
<td>Kittitas</td>
<td>60.62</td>
<td>Section 09; TWP. 17; RNE. 21; S1/2 SW1/4 of HWY &amp; PTN. SW1/4 SE1/4 S. of HWY (3.03 STATE R/W)</td>
</tr>
</tbody>
</table>

WAS
WIND ENERGY LEASE AGREEMENT

This Lease Agreement (this "Lease") dated this day of October 2007 (the "Effective Date") between Poison Springs LLC (collectively "Owner") and Invenergy Wind North America LLC ("Tenant").

WHEREAS, Owner owns that real property described on Exhibit A hereto (the "Property"), and

WHEREAS, the parties have agreed that Owner shall lease the Property to Tenant, and Tenant shall lease the Property from Owner, for construction and operation of a wind energy conversion facility and related electrical generation and transmission structures on the Property in accordance with the terms hereof.

NOW THEREFORE, it is hereby agreed as follows:

1) **Term.** The term of this Lease ("Term") shall include and consist of the Development Term, the Development Term Extension (if any), the Operating Term, and the Extended Term (if any).

   a) **Development Term.** The development term ("Development Term") shall commence as of the Effective Date and shall end upon the first of the following dates to occur.

      i) The date that is three (3) years from and after the Effective Date, unless otherwise extended pursuant to this Section 1(a);

      ii) The date the Tenant shall terminate this lease, in accordance with Section 3.

      iii) The Commercial Operations Date (as defined herein)

Tenant may, at its option, extend the Development term for two (2) additional years by making an additional one-time payment to the Owner of ten thousand dollars ($10,000) prior to the expiration of the three-year Development Term. This contract will terminate if the Operating Term has not commenced by the end of the Development Term (as such Development Term may be extended).

   b) **Operating Term.** The operating term ("Operating Term") shall commence on the Commercial Operations Date and continue until the twenty-fifth (25th) anniversary of the Commercial Operations Date. Tenant may, at its option extend the Operating Term for an additional period of twenty-five (25) years. ("Extended Term") by providing Owner with notice of such extension at least ninety (90) days prior to the expiration of the Operating Term.

2) **Lease and Use.** In consideration of the payments to be made by Tenant and the covenants set forth herein, Owner hereby leases the Property to Tenant, and Tenant
hereby leases the Property from Owner for development, construction, operation, maintenance and removal of a wind energy conversion facility and related electrical generation and transmission structures (collectively the “Windpower Facilities”) on, over and across the Property. Tenant and Owner hereby terminate the Access Agreement, effective as of the date hereof.

3) **Term of Lease.** This Lease shall be for a term of twenty-five (25) years beginning on the date hereof, subject to the right of renewal set forth below.

4) **Right of Renewal.** Tenant shall have the right of renewal for one (1) additional twenty-five (25) year period by serving written notice upon Owner not less than ninety (90) days prior to the date of expiration of the current term.

5) **Rent**

Beginning upon the execution of the Lease, and continuing until the earlier of the termination of the Lease or the date that the portion of the Windpower Facilities that is located on the Property is fully operational and generating electricity (“Commercial Operations Date”), Tenant shall pay Owner the amount of Seven Dollars ($7.00) per acre of the Property, per calendar year. On the Property Commercial Operation Date, and on its anniversary each year thereafter, Tenant shall pay to Owner, by installments due within sixty (60) days, in an amount equal to the greater of

(a) Four Thousand Dollars ($4,000.00) for each wind turbine installed on the Property, escalated at the rate of Two Percent (2%) per calendar year; or

(b) Percentage of Gross Revenue as set forth below.

(i) four point five percent (4.5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years one (1) through ten (10) of the Operating Term,

(ii) five percent (5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years eleven (11) through twenty (20) of the operating term,

(iii) five point five percent (5.5%) of the Gross Revenue generated from the production of wind energy on the property for calendar years twenty-one (21) through twenty-five (25) of the Operating Term and any Calendar year during the Extended Term.

The amounts payable hereunder for a calendar year shall be prorated based on a 365-day year for each wind turbine for which the completion of installation or removal occurs during such year,
based on the number of days in such year following the completion of installation or prior to the completion of removal, as applicable.

(i) For purposes hereof, the term "Gross Revenues" means the aggregate total revenue actually received by Tenant during the applicable period of time, from the sale, to the purchaser of electricity, of electrical energy generated and sold from wind turbines then located on the Property.

(ii) For purposes hereof, the term "Gross Revenues" shall exclude, without limitation, revenues received: (1) from the sale, assignment, transfer or other disposition of Windpower Facilities or any other of Tenant’s improvements (and any interest therein); (2) from sales of electrical energy produced by wind turbines not located on the Property; (3) from any rental or other payment received by Tenant in exchange for Tenant’s assigning, mortgaging or otherwise transferring all or any of its interest in this Agreement; (4) from the sale, modification or termination of any obligation under a power purchase contract; (5) from parasitic or other loss (i.e., electrical energy used to power Windpower Facilities or Development Activities, or lost in the course of transforming, shaping, transporting or delivering the electricity); (6) from sales of electrical energy for which payment is not received (including because of a default by the purchaser thereof); (7) as reimbursement or compensation for wheeling costs or other electricity transmission or delivery costs; or (8) from production tax credits, other tax benefits and credits, or any reimbursement thereof received by Tenant.

(iii) In the event that electrical energy produced from wind turbines located on the Property is commingled with electrical energy produced from wind turbines located on other lands, then Tenant shall, using such methods, calculations, procedures and/or formulae as Tenant may in good faith adopt, allocate to the Property a portion of the Gross Revenues received from such commingled electrical energy.

6) **Representations and Warranties.** Owner makes the following representations and warranties:

a) Owner is the sole owner of the Property and has the unrestricted right and authority to execute this Agreement and to grant to Tenant the rights granted hereunder. Each person signing this Agreement on behalf of Owner is authorized to do so. When signed by Owner, this Agreement constitutes a valid and binding agreement enforceable against Owner in accordance with its terms.

b) Owner represents that there are no unrecorded liens, encumbrances, leases, mortgages, security interests, deeds of trust (except as disclosed to Tenant in writing), or other exceptions (collectively, "Liens") to Owner's fee title ownership of the Property or to Owner's right, title or interest in the Property. Except as may be disclosed in the Real Property Records of Kittitas County, in the State of Washington, or as disclosed by Owner in writing to Tenant, Owner represents that there are no Liens encumbering all or any portion of the Property. Owner shall fully cooperate and assist Tenant, at no out-of-pocket expense to Owner, in obtaining a subordination and non-disturbance agreement from each party that holds a Lien (recorded or
unrecorded) that might interfere with Tenant's rights under this Lease.

c) No litigation is pending, and, to the best of Owner's knowledge, no actions, claims or other legal or administrative proceedings are pending, threatened or anticipated with respect to, or which could affect, the Property. If Owner learns that any such litigation, action, claim or proceeding is threatened or has been instituted, Owner shall promptly deliver notice thereof to Tenant.

d) To the best of Owner's knowledge and without limiting the generality of the foregoing, (i) no underground tanks are now located or at any time in the past have been located on the Property or any portion thereof, (ii) no asbestos-containing materials, petroleum, explosives or other substances, materials or waste which are now or hereafter classified or regulated as hazardous or toxic under any Law (each, a "Hazardous Material") has been generated, manufactured, transported, produced, used, treated, stored, released, disposed of or otherwise deposited in or on or allowed to emanate from the Property or any portion thereof other than as permitted by all health, safety and other Laws (each, an "Environmental Law") that govern the same or are applicable thereto and (iii) there are no other substances, materials or conditions in, on or emanating from the Property or any portion thereof which may support a claim or cause of action under any Environmental Law. Owner has not received any notice or other communication from any governmental authority alleging that the Property is in violation of any Environmental Law.

e) To the best of Owner's knowledge the Property is in full and complete compliance in all material respects with all governmental laws, ordinances, rules and regulations applicable to the Property.

f) Owner has the full power and authority to enter into this Lease, and this Lease does not violate and will not violate any contract, agreement, instrument, judgment or order to which Owner is a party or the Property subject.

7) Rights of Tenant. Tenant shall have:

a) The right to enter upon the Property and conduct activities prior to construction of the Windpower Facilities that are reasonably necessary in connection with development of the Property for such purposes, including without limitation, erection and maintenance of meteorological towers, collection of data, taking soil samples, release of weather balloons, surveying, designing and other activities reasonably necessary to plan or develop a wind energy conversion facility.

b) The right of ingress and egress over the Property by means of roads and lanes where there are such, otherwise by such route or routes as shall least damage and inconvenience Owner.

c) The right to enter upon the Property and conduct activities at such times as Tenant may deem necessary for the purpose of constructing, operating and maintaining and removing the Windpower Facilities and related electrical generation and transmission
structures and for transmission of the energy generated by the Windpower Facilities and all activities reasonably necessary or appropriate for such purposes, including, without limitation, constructing, installing, operating, maintaining and removing the following:

i) foundations, concrete pads and footings;
ii) wind turbine units;
iii) guy wires, support fixtures, anchors and fences;
iv) buildings needed for the maintenance of wind turbine units and maintenance and storage of related equipment;
v) electrical transformers and energy storage facilities;
vi) electric transformers, electric distribution and transmission towers and lines either above ground or under ground;
vii) substations or switching facilities for the purpose of connecting to transmission system;
viii) roads providing access from public roads to the facilities.

d) The right to install, maintain and use gates in all fences that now cross or shall hereafter cross the Property.

e) The right to conduct all other activities reasonably determined by Tenant to be necessary or useful to accomplish the general purposes of this Lease.

f) The right and privilege to permit the rotors of turbines located on adjacent properties to overhang a portion of the Property identified and shown on Exhibit B of this Lease. Owner shall not interfere with the operation of turbine rotors that overhang the Property.

(g) The right and entitlement to cause on, over, across, and under Owner's Property such noise, audio, visual, view, light, vibration, air turbulence, wake, electromagnetic, television reception, ice or other weather-created hazards (including but not limited to ice falling from the Windpower Facilities onto Owner's Property) effects, or other effects of any kind whatsoever resulting directly or indirectly from (a) any operations or activities of any Wind Project or (b) the Windpower Facilities, including any portion of the Windpower Facilities now or hereafter located on the Property (collectively, the "Effects"). By granting this permission, Owner on behalf of him or herself and his or her heirs, successors, and assigns hereby waives and release any right, claim, or cause of action which he or she may now have or which he or she may have in the future against Tenant as a direct or indirect result of said Effects.

(h) The right to test television signal strength and reception at any residence on the Property before Project construction and at reasonable intervals.

8) Rights Reserved by Owner. Subject to Owner's obligations specifically set forth in this Lease, Owner shall have the right to use the Property in any reasonable manner, including specifically for livestock husbandry or for agricultural purposes, provided that such activities shall not interfere with operation of the wind energy facility or related generation and transmission structures or create a risk of damage to or injury to the wind energy facility or related equipment.
Obligations of Tenant. Tenant shall:

a) Install Windpower Facilities on the Property within three (3) years of the signature of this Lease. Should Tenant wish to extend such three-year period for an additional two (2) years, Tenant shall make an additional one-time payment ("Extension Payment") to Owner of ten thousand dollars ($10,000) prior to the expiration of such three-year period.

b) Keep the Property free and clear of all liens for labor and services performed on and materials and equipment supplied to the Property in connection with Tenant's activities on the Property, provided, however, that if Tenant wishes to contest any such lien, Tenant may do so provided that, within ninety (90) days after it receives notice of the filing of such lien, Tenant shall cause such lien to be removed pursuant to applicable law.

c) Comply with all federal, state and local laws.

d) Obtain and comply with all permits.

e) Not use, store, dispose or release Hazardous Materials on the Property, except that Tenant may use hazardous substances in its normal business operations as long as such use is not harmful to Owner and is in full compliance with all applicable laws.

Obligations of Owner. Owner's activities and any grant of rights Owner makes to any person or entity, whether located on the Property or elsewhere, shall not, currently or prospectively, disturb or interfere with the construction, installation, maintenance, or operation of the Windpower Facilities, whether located on the Property or elsewhere; access over the Property to such Windpower Facilities; or the undertaking of any other activities permitted hereunder. Without limiting the generality of the foregoing, Owner shall not (i) disturb or interfere with the wind speed or wind direction over the Property, whether by placing wind turbines, telecommunication towers or antennas, planting trees or constructing buildings or other structures, or by engaging in any other activity on the Property or elsewhere that could be reasonably expected to cause a decrease in the output or efficiency of the Windpower Facilities, or (ii) disturb the subsurface such that it could be reasonably expected to damage or interfere with the structural integrity of the Windpower Facilities.

Owner shall:

(a) Consult with Tenant and obtain Tenant's prior written approval as to the location of all structures located one thousand (1,000) feet or less from any turbine or met tower whether located on or off the Property. Approval shall be based on whether, in Tenant's sole judgment, informed by appropriate professional engineering and meteorological opinions obtained at Tenant's expense, the proposed structures at the proposed location are likely to cause interference or inconvenience. This Lease expressly includes the right of Tenant to enter on
any part of the Property to enforce Tenant's rights, including the physical removal of trees or structures (except existing trees and structures) causing interference or inconvenience. Tenant shall consult with Owner before making any such removals.

(b) Not violate any Environmental Law. Owner shall indemnify Tenant against any such violation that is caused by: (i) any person and exists as of the Effective Date or occurs on or before the commencement of construction of the Windpower Facilities; or (ii) Owner or Owner's agents and occurs after the commencement of construction of the Windpower Facilities. Owner shall promptly notify Tenant of any such violation.

(c) Cooperate with Tenant, at Tenant's expense, in obtaining any necessary agreements or approvals from existing lien holders, including mortgagees and any permits, environmental impact reviews or approvals required for the construction or operation of the Windpower Facilities.

(d) Not construct or operate or authorize any other party to construct or operate a wind energy conversion facility on the Property during the term hereof.

11) **Taxes and Utilities.** Owner shall pay real property taxes levied on the Property. However, any increases in real property taxes due to the re-classification of the Property due to the wind energy facilities and use will be paid by Tenant.

   a) Tenant shall pay all personal property taxes levied against the Windpower Facilities and related equipment.

   b) Tenant shall pay for all water, electric, telecommunications and other utility service used by the Windpower Facilities.

   c) To the extent Owner fails to pay any real property taxes for which it is responsible under this Lease and/or Tenant believes its interest under this Lease is threatened due to Owner's failure to pay any real property taxes, Tenant shall have the right, but not the obligation, in addition to all other remedies available at law, in equity or under this Lease, to pay such real property taxes (together with any penalties and interest), in which event Owner shall immediately reimburse Tenant for such amount (including, without limitation, Tenant's cost of funds) and Tenant may deduct such amount (including, without limitation, Tenant's costs of funds) from rent thereafter due under this Lease.

12) **Zoning.** Owner agrees that Tenant may, if it so elects, at any time following execution of this Lease, commence taking any and all actions as it may reasonably determine are necessary or proper to effectuate change of zoning or such other land use regulation of the Property and may apply for any applicable permits or approvals to allow wind energy development on the Property. However, Tenant shall not be allowed to effectuate a change in zoning or other land use regulations which would prohibit agricultural activities. Owner, at Tenant's expense, shall cooperate with Tenant in Tenant's efforts to affect such zoning or land use changes or applications. Such
cooperation shall include, without limitation, the execution by Owner of documents or authorizations therefore, provided, however, that all costs and expenses incurred or assessed directly or indirectly with respect to effectuating such changes shall be borne by Tenant, including any additional taxes. If such regulations are changed at the end of the term of this Lease, Tenant shall assist and reimburse Owner for their actual and reasonable costs of changing the zoning classification back to its original status if required to allow Owner's continued use of the Property for purposes used as of the date hereof.

Owner hereby waives any and all setbacks and setback requirements, whether imposed by applicable law or by any person or entity, including any setback requirements described in any local, county or state zoning ordinance or law, or in any governmental entitlement or permit heretofore or hereafter issued to Tenant or affiliate for Windpower Facilities installed or constructed or to be installed or constructed at and/or near the common boundary between the Owner's Property and any adjacent property utilized for the Windpower Facilities. Further, if so requested by Tenant or its affiliate, Owner shall, without demanding additional consideration therefore, (a) execute (and if appropriate cause to be acknowledged) any setback waiver, setback elimination or other document or instrument reasonably requested by Tenant or a governmental body in connection therewith and (b) return the same thereto within ten (10) days after such request.

13) **Right of First Refusal.** In the event during the term of this Lease that Owner offers the Property, or any part thereof, for sale, or receives a bona fide offer to purchase acceptable to them, they shall give Tenant notice in writing of their intention to sell and of such offer and the terms and conditions thereof, whereupon, Tenant shall, subject to any rights of first refusal as to the Property held by a third party that pre-dates this lease, have the right and privilege for thirty (30) days after receipt of such notice to purchase the Property or such part thereof that has been offered for sale upon the same terms and conditions contained in said bona fide offer.

14) **Tenant's Indemnity.** Tenant shall indemnify Owner for and hold Owner harmless against all claims, demands, damages, costs and expenses, including attorneys' fees for defending claims and demands, to the extent they arise from any breach on Tenant's part of any terms or conditions of this Lease, or from any act or omission constituting negligence or willful misconduct of Tenant, its agents, contractors, employees or invitees in or about the Property. In case of any action or proceeding brought against Owner by reason of such claim, Tenant, on notice from Owner, shall defend the action or proceeding by counsel acceptable to Owner.

Notwithstanding the foregoing, Owner, due to the location of the Property next to gravel roads or construction areas, may be inconvenienced by construction noise and dust. Additionally, construction traffic in some areas may inconvenience Owner or require Owner to travel by unaccustomed routes to avoid construction traffic. Owner acknowledges Tenant has informed Owner of the potential impacts of construction and agrees (i) that the compensation provided in this Lease Agreement is adequate for the impacts described and (ii) that Tenant shall in no event be liable to Owner for any damages or indemnification related to such construction noise, dust
and/or traffic.

15) Owner's General Indemnity. In addition to any other specific indemnification obligations of Owner in this Agreement, Owner shall indemnify Tenant for and hold Tenant harmless against all claims, demands, damages, costs and expenses, including attorneys' fees for defending claims and demands, to the extent they arise from any breach on of any terms or conditions of this Lease, from the breach, falsity or inaccuracy of any representation or warranty of Owner under this Lease, or from any act or omission constituting negligence or willful misconduct of Owner, their agents, contractors, employees or invitees in or about the Property. In case of any action or proceeding brought against Tenant by reason of such claim, Owner, on notice from Tenant, shall defend the action or proceeding by counsel acceptable to Tenant.

16) Notification of Legal or Administrative Proceedings. If Owner becomes aware of any litigation or administrative action or proceeding that is instituted or proposed or threatened with respect to the Property, Owner shall promptly notify Tenant thereof.

17) **Insurance.**

   a) Tenant shall maintain appropriate liability insurance covering all of its activities on the Property. Such policy shall contain liability limits of not less than one million dollars ($1,000,000.00) and shall name Owner as an additional insured.

   b) The policy shall also provide that it cannot be cancelled without at least thirty (30) days written notice to Owner.

18) **Assignment/Mortgage by Tenant.**

   (a) Tenant may, upon notice to Owner but without Owner's consent or approval, mortgage, collaterally assign, or otherwise encumber and grant security interests in all or any part of the Windpower Facilities and/or Tenant's, assignees or subtenant's leasehold estate and rights under this Lease (collectively, its "Wind Farm Assets"). These various security interests in all or a part of the Wind Farm Assets are collectively referred to as "Mortgages" and the holders of the Mortgages, their designees and assigns are referred to as "Mortgagees." Tenant shall also have the right without Owner's consent to sell, convey, lease, or assign all or any portion of its Wind Farm Assets on either an exclusive or a non-exclusive basis, or to grant subleases, easements, licenses or similar rights, however denominated (collectively, "Assignments"), to one or more persons or entities (collectively, "Assignees"). Tenant shall provide written notice to Owner of any assignment including the name, address and phone number of the party receiving the assignment. All assignees, grantees or successors of Tenant shall abide by the terms of this Lease. Assignees and Mortgagees shall use the Wind Farm Assets only for the uses permitted under this Lease. Assignees and Mortgagees shall have all rights and remedies allowed them under then existing laws except as limited by their individual agreements with Tenant, provided that under no circumstances shall any Mortgagee or Assignee have any greater rights of ownership or use of the Property than the rights granted to Tenant in this Lease. Whenever Tenant has mortgaged or assigned an interest under this Section, or has conveyed a sublease or
other interest, it will give notice of the mortgage, assignment or conveyance (including the address of the Mortgagor or Assignee for notice purposes) to Owner, provided that failure to give this notice shall not constitute a default under this Lease but rather shall only have the effect of not binding Owner with respect to such mortgage, assignment or conveyance until notice is given.

(b) Any and all mortgages, deeds of trust or liens placed upon or suffered by Owner that encumber the Property or Owner's interest in the Property shall be expressly subject and subordinate in all respects to this Lease, to all of the obligations of Owner hereunder and to all of the rights of Tenant vested or arising hereunder. Owner shall cause any mortgagees or other lien holders to execute and deliver subordination agreements reflecting such subordination in form and substance satisfactory to Tenant.

(c) Owner, at Tenant's expense, agrees to consent in writing to financing documents as may reasonably be required by Mortgagors. As a precondition to exercising any rights or remedies related to any alleged default by Tenant under this Lease, Owner shall give written notice of the default to each Mortgagee and Assignee at the same time it delivers notice of default to Tenant, specifying in detail the alleged event of default and the required remedy. Each Mortgagee and Assignee shall have the same amount of time to cure the default as to Tenant's entire interest or its partial interest in the Wind Farm Assets as is given to Tenant and the same right to cure any default as Tenant or to remove any property of Tenant, Mortgagees or Assignees located on the Property. The cure period for each Mortgagee and Assignee shall begin to run at the end of the cure period given to Tenant in this Lease, but in no case shall the cure period for any Mortgagee or Assignee be less than thirty (30) days after receipt of the default notice. Failure by Owner to give a Mortgagee or Assignee notice of default shall not diminish Owner's rights against Tenant, but shall preserve all rights of the Mortgagee or Assignee to cure any default and to remove any property of Tenant, the Mortgagee or Assignee located on the Property.

(d) Any Mortgagee or Assignee that does not directly hold an interest in the Wind Farm Assets, or whose interest is held solely for security purposes, shall have no obligation or liability under this Lease prior to the time the Mortgagee or Assignee directly holds an interest in this Lease, or succeeds to absolute title to Tenant's interest. A Mortgagee or Assignee shall be liable to perform obligations under this Lease only for and during the period it directly holds such interest or absolute title. Any Assignment permitted under this Lease shall release Tenant or other assignor from obligations accruing after the date that liability is assumed by the Assignee.

(e) Tenant will make all reasonable efforts to ensure there is no interference with the existing cell phone tower structures and access roads already on the site.

19) Right to Cure Defaults/Notice of Defaults/Right to New Lease.

a) To prevent termination of this Lease or any partial interest in this Lease, Tenant, and Mortgagee or Assignee shall have the right, but not the obligation, at any
time to perform any act necessary to cure any default and to prevent the termination of this Lease or any interest in the Wind Farm Assets.

b) In the event of an uncured default by the holder of Tenant's entire interest in this Lease, or in the event of a termination of this Lease by agreement, by operation of law or otherwise, each Mortgagee or Assignee of a partial interest in the Wind Farm Assets that is not in default of its obligations, shall have the right to have Owner either recognize the Mortgagee's or Assignee's interest or lease the Property on substantially identical terms as this Lease. Under the new lease, the Mortgagee or Assignee shall be entitled to, and Owner shall not disturb, Mortgagee's or Assignee's continued use and enjoyment for the remainder of the Term (or the Renewal Term), or such shorter term as an Assignee may otherwise be entitled pursuant to its Assignment. Notwithstanding any of the language of this Lease, the Owner is entitled to the full payment and performance of all obligations due by Tenant under this Lease regardless of how those payments and obligations may be divided among Mortgagees, or Assignees.

i) Extended Cure Period. If any default by Tenant under this Lease cannot be cured without obtaining possession of all or part of the Wind Farm Assets, then any such default shall be deemed remedied if a Mortgagee or Assignee: (1) within sixty (60) days after receiving notice from Owner as set forth in Section 17(c), acquires possession of all or part of the Wind Farm Assets, or begins appropriate judicial or nonjudicial proceedings to obtain the same; (2) diligently prosecutes any such proceedings to completion; and (3) after gaining possession of all or part of the Wind Farm Assets performs all other obligations as and when the same are due in accordance with the terms of this Lease. If a Mortgagee or Assignee is prohibited by any court or by operation of any bankruptcy or insolvency laws from commencing or prosecuting the proceedings described above, the sixty (60) day period specified above for commencing proceedings shall be extended for the period of such prohibition.

ii) Certificates, etc. Owner, at Tenant's expense, shall execute estoppel certificates (certifying as to truthful matters, including without limitation that no default then exists under this Lease, if such be the case), consents to assignment and non-disturbance agreements as Tenant or any Mortgagee or Assignee may reasonably request from time to time. Owner and Tenant shall cooperate in amending this Lease from time to time to include any provision that may be reasonably requested by Tenant or any Mortgagee or Assignee to implement the provisions contained in this Lease or to preserve a Mortgagee's security interest.

20) Mortgagee Protection. Any Mortgagee, upon delivery to Owner of notice of its name and address, for so long as its Mortgage is in existence shall be entitled to the following protections which shall be in addition to those granted elsewhere in this Lease:
a) **Mortgagee’s Right to Possession, Right to Acquire and Right to Assign.** A Mortgagee shall have the absolute right:

i) to assign its Mortgage;

ii) to enforce its lien and acquire title to all on any portion of the Wind Farm Assets by any lawful means;

iii) to take possession of and operate all or any portion of the Wind Farm Assets and to perform all obligations to be performed by Tenant under this Lease, or to cause a receiver to be appointed to do so; and

iv) to acquire all or any portion of the Wind Farm Assets by foreclosure or by an assignment in lieu of foreclosure and thereafter without Owner's consent to assign or transfer all or any portion of the Wind Farm Assets to a third party.

b) **Opportunity to Cure.** During any period of possession of the Property by a Mortgagee (or a receiver requested by a Mortgagee) and/or while any foreclosure proceedings instituted by a Mortgagee are pending, the Mortgagee shall pay or cause to be paid the fees and all other monetary charges payable by Tenant under this Lease which have accrued and are unpaid at the commencement of the period and those which accrue thereafter during the period. Following acquisition of all or a portion of the Wind Farm Assets by the Mortgagee as a result of either foreclosure or acceptance of an assignment in lieu of foreclosure, or by a purchaser at a foreclosure sale, this Lease shall continue in full force and effect and the Mortgagee or party acquiring Tenant's interest under this Lease shall, as promptly as reasonably possible, commence the cure of all defaults under this Lease and thereafter diligently process such cure to completion, whereupon Owner's right to terminate this Lease based upon such defaults shall be deemed waived.

c) Any Mortgagee or other party who acquires Tenant's interest in the Wind Farm Assets pursuant to foreclosure or assignment in lieu of foreclosure shall not be liable to perform the obligations imposed on Tenant by this Lease incurred or accruing after the party no longer has ownership or possession of the Wind Farm Assets.

d) Neither the bankruptcy nor the insolvency of Tenant shall be grounds for terminating this Lease as long as all annual installment payments and all other monetary charges payable by Tenant under this Lease are paid by the Mortgagee in accordance with the terms of this Lease.

21) **New Lease.** If this Lease terminates because of Tenant's default, if the leasehold interest hereunder is foreclosed, or if this Lease is rejected or disaffirmed pursuant to bankruptcy law or other law affecting creditor's rights by Tenant and, within ninety (90) days after such event, Tenant or any Mortgagee or Assignee shall have arranged to the reasonable satisfaction of Owner for the payment of all fees or other changes due and payable by Tenant as of the date of such event, then Owner shall execute and deliver to Tenant or such Mortgagee or Assignee or to a designee of one of these parties, as the case may be, a new lease of the Property which (i) shall be for a term equal to the remainder of the Term (or the Renewal Term, if applicable) before giving effect to such rejection or termination; (ii) shall contain the same covenants, agreements, terms, provisions and
limitations as this Lease (except for any requirements that have been fulfilled by Tenant or any Mortgagee or Assignee prior to rejection or termination of this Lease); and, (iii) shall include that portion of the Wind Farm Assets in which Tenant or such other Mortgagee or Assignee had an interest on the date of rejection or termination.

a) After the termination, rejection or disaffirmation of this Lease and during the period thereafter during which any Mortgagee shall be entitled to enter into a new lease for the Property, Owner will not terminate the rights of any Assignee unless in default under its Assignment.

b) If more than one Mortgagee makes a written request for new lease pursuant to this provision, the new lease shall be delivered to the Mortgagee requesting such new lease whose Mortgage is prior in lien, and the written request of any other Mortgagee whose lien is subordinate shall be void and of no further force or effect.

c) The provisions of this Section 21 shall survive the termination, rejection or disaffirmation of this Lease and shall continue in full force and effect thereafter to the same extent as if this Section 21 were a separate and independent contract made by Owner, Tenant and each Mortgagee, and, from the effective date of such termination, rejection or disaffirmation of this Lease to the date of execution and delivery of such new lease, such Mortgagee may use and enjoy the Property without hindrance by Owner or any person claiming by, through or under Owner; provided that all of the conditions for the new lease as set forth above are complied with.

22) Mortgagee's Consent to Amendment, Termination or Surrender. Notwithstanding any provision of this Lease to the contrary, the parties agree that so long as there exists an unpaid Mortgagee, this Lease shall not be modified or amended, and Owner shall not accept a surrender, cancellation or release of all or any part of the Wind Farm Assets from Tenant, prior to expiration of the Term (or Renewal Term, if applicable) without the prior written consent of the Mortgagee. This provision is for the express benefit of and shall be enforceable by each Mortgagee as if it were a party named in this Lease. It shall be the Tenant's and any Mortgagee's obligation to notify the Owner that there exists an unpaid mortgage. The provisions of this paragraph will not apply if Owner has not been notified that an unpaid mortgagee exists.

23) Liens. On the commencement of the Term, the Property shall be free and clear of all monetary liens other than those expressly approved by Tenant. Thereafter, any assignment of this Lease, mortgage, deed of trust or other monetary lien placed on the Property by Owner, or permitted by Owner to be placed or to remain on the Property, shall be subject to this Lease, to any Assignment or Mortgage then in existence on the Wind Farm Assets as permitted by this Lease, to Tenant's right to encumber the Wind Farm Assets, and to any and all documents executed or to be executed by Owner in connection with Tenant's development of all or any part of the Property. Owner agrees to cause any monetary liens placed on the Property by Owner in the future to incorporate the conditions of this Section 23.
24) **Condemnation.**

    a) In the event that the Property or any part thereof is taken by condemnation, the parties shall negotiate in good faith to amend this Lease to relocate the facilities, or, at Tenant's option, the agreement shall be terminated.

    b) Owner shall be entitled to receive all condemnation payments except any amount awarded to compensate for removal or relocation of the wind facility, loss or damage to any wind facility which Tenant cannot remove or is required not to remove, or loss of use or value of this Lease, which such payments shall be paid to Tenant.

25) **Default: Termination.** The following events shall constitute default and allow for termination of this Lease:

    a) Tenant's failure to make payments to Owner after sixty (60) days written notice of such overdue payment.

    b) Failure to perform any other material term of this Lease that continues for sixty (60) days after written notice to the defaulting party, provided however, that, if it will reasonably take the party longer than sixty (60) days to cure the default, then the party shall be allowed such additional time as may be reasonably necessary to cure the default on the condition that any such extension shall not exceed one hundred eighty (180) days.

    c) A party filing for protection or liquidation under bankruptcy laws, except as otherwise provided herein.

    d) Tenant shall have the right to voluntarily terminate this Lease by providing Owner written notice of such termination. In the event of such voluntary termination by Tenant, Owner shall be entitled to payment on a pro rated annual basis computed as of the date of notice of voluntary termination or cessation of electrical production, whichever is later.

    e) Upon termination of this Lease, Tenant shall, on request of Owner, execute and deliver to Owner a written release, quitclaim deed, or other instrument specified by Owner, evidencing the termination of this Lease. The instrument shall be signed and acknowledged in a form eligible for recordation.

All Windpower Facilities and related equipment on the Property shall be and remain the property of Tenant or the utility installing same. Upon termination of this Lease for any reason, Tenant shall remove all Windpower Facilities from the Property within one hundred eighty (180) days, with the exception of wind turbine foundations, which will be excavated to a depth of five (5) feet and backfilled. If Tenant fails to remove the Windpower Facilities or to restore the surface of the Property within one hundred eighty (180) days of the termination of this Lease, Owner may do so, in which case Tenant shall reimburse Owner for reasonable costs incurred by Owner and Owner may dispose of the facilities and related equipment as Owner sees fit without any further obligation to Tenant or the utility installing the same.
f) **Bonding Requirements.** In the tenth (10) year of the Operating term, Tenant shall provide to Owner a bond undertaking, or other acceptable credit on favor of Owner, for the costs of removal of Windpower Facilities and restoration of the Property. Such bond or undertaking shall initially be in the amount of $25,000 per wind turbine installed on the Property (the “Initial Restoration Amount”) and shall be issued by an insurance company reasonable acceptable to the Parties, or otherwise in a form and contact reasonably acceptable to the parties. Tenant may fund the Initial Restoration Amount over a period of ten (10) years at the rate of $2,500 per wind turbine installed on the Property per year (the “Yearly Bonding Amount”). The amount of such bond or undertaking shall be reviewed at the tenth (10) anniversary of the Commercial Operations Date and every ten (10) years after thereafter. If, at the 10-year anniversary of the Commercial Operations Date, the Parties reasonable estimation the decommissioning costs shall have increased from the Initial Restoration Amount, then an independent contractor selected by the Parties shall provide a revised estimate of decommissioning costs (“Revised Restoration Amount”). If the Revised Restoration Amount is greater then the Initial Restoration Amount, then Yearly Bonding Amount shall be increased by one-tenth (1/10th) of the difference between the Revised Restoration Amount and the Initial Restoration Amount so that the estimated total decommissioning amount per Turbine shall be fully funded by the twentieth (20) anniversary of the Commercial Operation Date. Notwithstanding any of the foregoing provisions, if the Tenant or its Transferee is an investor-owned electric utility regulated by a state public utility commission, no bond or undertaking in favor of Owner for the removal and restoration costs of Windpower Facilities shall be required, any existing bond or other undertaking for said removal and restoration costs shall be released, and the removal and restoration obligations hereunder shall be a general obligation of the investor-owned electric utility to Owner. In addition, notwithstanding the any of the foregoing provisions, in the event that a Governmental or Regulatory Authority entity (for example Kittitas County, Washington Facility Siting Council) requires a bond or undertaking to remove Windpower Facilities, then the requirements of such Governmental or Regulatory Authority shall supersede this Lease and a bond or undertaking shall no longer be requirement of this Lease.

26) **Attorney's Fees.** In the event that either party files suit to enforce any term of this Lease, the prevailing party in such litigation shall be entitled to its reasonable attorney's fees. If litigation or other legal action shall arise out of this agreement the Tenant will attempt to have venue of litigation in Kittitas County.

27) **Notice.** Any notice required hereunder shall be in writing and shall be either:

   a) delivered in person;

   b) delivered by Federal Express or other reputable overnight delivery service to the address given below; or

   c) mailed by certified mail, return receipt requested, to the addresses listed below:
i) If to Owner:

Invenergy North America LLC  
One South Wacker Drive Suite 2020  
Chicago, IL 60606

ii) If to Tenant:

c/o Invenergy LLC  
1 South Wacker, Suite 2020 Chicago, IL 60606  
Attn: General Counsel

28) Amendment. This Lease may be amended only by a written document executed by both parties.

29) Interpretation. This Lease shall be interpreted under the laws of the State of Washington. If any one or more of the provisions of this Lease is for any reason held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not in any respect, affect any other provision of this Lease, which shall be construed as if it had not included the invalid, illegal or unenforceable provision.

30) Waiver. Any waiver of any term or condition of this Lease must be in writing and executed by both parties in order to be binding.

31) Force Majeure. If either party is unable to perform any obligation required hereunder due to force majeure, other than to make payment of amounts due, such obligation, insofar as it shall be affected by such force majeure, shall be suspended during the continuance of such event, and such default shall thereafter be remedied with all reasonable dispatch. The term “force majeure” shall include acts of God, strikes, lockouts, or other industrial disturbances, civil disturbances, acts of a public enemy, war, blockades, riots, epidemics, earthquakes, explosions, acts of public authorities and governmental regulation.

32) Confidentiality. The parties shall not disclose the terms of this Lease to any third parties.

33) Entire Agreement. This Lease constitutes a full and final expression of the parties' agreement and supersedes all prior oral or written negotiations and agreements.

34) Additional Documents and Action. The parties agree to execute all additional documents and take all reasonable steps that may be necessary to carry out the intent and purpose of this Lease.

35) Consent. If consent of a party is required by this Lease, such consent shall not be unreasonably withheld.
36) **Binding Effect.** This Lease shall be binding upon and shall inure to the benefit of the parties and their heirs, successors and assigns.

37) **Recording.** The Parties shall execute and record a Memorandum of Lease in the records of Kittitas County, Washington, evidencing the execution of this Lease.

38) **Tax Credits.** If under applicable law Tenant becomes ineligible for any tax credit, benefit or incentive for alternative energy expenditure established by any local, state or federal government, then, at Tenant's option, Owner and Tenant shall amend this Lease or replace it with a different instrument so as to convert Tenant's interest in the Property to a substantially similar interest that makes Tenant eligible for such tax credit, benefit or incentive.

39) [The remainder of this page intentionally left blank].
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

INVENERY WIND NORTH AMERICA LLC
By: [Signature]
Name: Douglas B. Cooper
Title: Vice President

ACKNOWLEDGMENT

STATE OF Colorado
COUNTY OF Douglas

Personally came before me this 2nd day of October, 2007, Douglas Carter, W., who executed the foregoing instrument, and acknowledged the same, on behalf of Invenergy Wind North America LLC.

KATHERINE S MOSER
Notary Public
State of Colorado

Name: Katherine S. Moser
Notary Public, State of Washington
My Commission: 8/29/2009

Poison Springs, LLC
By: [Signature]
Name: Judy A. Webb
Title: Manager

ACKNOWLEDGMENT

STATE OF
COUNTY OF

Personally came before me this day of , 2007, , who executed the foregoing instrument, and acknowledged the same, on behalf of Invenergy Wind North America LLC.

Name:
Notary Public, State of Washington
My Commission:
STATE OF WASHINGTON

COUNTY OF KITITAS

On this 14th day of September, 2007, before me personally appeared Judy A. Webb, to me known to be the Manager of Poison Springs, a Washington limited liability company, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument and that the seal affixed, if any, is the seal of said limited liability company.

Given under my hand and official seal this 14th day of September, 2007.

Signature: J. Zofia Komorowski

Name (Print): J. Zofia Komorowski

NOTARY PUBLIC in and for the State of Washington, residing at Ellensburg

My appointment expires: 8-19-2010
EXHIBIT A

The Property

Schedule of Locations:

<table>
<thead>
<tr>
<th>Parcel Number</th>
<th>County</th>
<th>Acreage</th>
<th>Legal Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-21-21030-0002</td>
<td>Kittitas</td>
<td>430.51</td>
<td>SEC. 21, TWP. 17, RGE. 21; ALL SECTION N. OF SR90; LESS 175.54@ SR90 (RD@) SEC. 20; TWP. 17; RGE. 21; N1/2; N1/2 SW1/4; N1/2 SE1/4; S1/2 S1/2 LY N. OF I-90 (LESS 100.54@ I-90)</td>
</tr>
<tr>
<td>17-21-20030-0001</td>
<td>Kittitas</td>
<td>496.86</td>
<td>WASHER TOP</td>
</tr>
</tbody>
</table>
Exhibit D

Project Vicinity Map with Residence Locations
Exhibit E

Decommissioning Cost Estimate

Note: A decommissioning cost estimate will be provided following final layout approval and will be subject to review and approval by Kittitas County prior to the issuance of the permits necessary for this project. Decommissioning shall be consistent with the requirements of this agreement.
Exhibit F

FAA Letters and Determination of Non Hazard Certificate
** DETERMINATION OF NO HAZARD TO AIR NAVIGATION **

The Federal Aviation Administration has completed an aeronautical study under the provisions of 49 U.S.C., Section 44718 and, if applicable, Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure Type: Wind Turbine  
Location: Vantage, WA  
Latitude: 46-58-36.39 NAD 83  
Longitude: 120-15-2.39  
Heights: 389 feet above ground level (AGL)  
2740 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

As a condition to this Determination, the structure is marked and/or lighted in accordance with FAA Advisory Circular 70/7460-1 K, Obstruction Marking and Lighting, red lights - Chapters 4, 5(Red), &12.

It is required that the enclosed FAA Form 7460-2, Notice of Actual Construction or Alteration, be completed and returned to this office any time the project is abandoned or:

___ At least 10 days prior to start of construction  
(7460-2, Part I)

X___ Within 5 days after the construction reaches its greatest height  
(7460-2, Part II)

As a result of this structure being critical to flight safety, it is required that the FAA be kept appraised as to the status of the project. Failure to respond to periodic FAA inquiries could invalidate this determination.

See attachment for additional condition(s) or information.

This determination expires on 09/23/2007 unless:

(a) extended, revised or terminated by the issuing office.  
(b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.
NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION
MUST BE POSTMARKED OR DELIVERED TO THIS OFFICE AT LEAST 15 DAYS PRIOR TO THE
EXPIRATION DATE.

This determination is based, in part, on the foregoing description which
includes specific coordinates, heights, frequency(ies) and power. Any changes
in coordinates, heights, and frequencies or use of greater power will void this
determination. Any future construction or alteration, including increase to
heights, power, or the addition of other transmitters, requires separate notice
to the FAA.

This determination does include temporary construction equipment such as cranes,
derricks, etc., which may be used during actual construction of the structure.
However, this equipment shall not exceed the overall heights as indicated above.
Equipment which has a height greater than the studied structure requires
separate notice to the FAA.

This determination concerns the effect of this structure on the safe and
efficient use of navigable airspace by aircraft and does not relieve the sponsor
of compliance responsibilities relating to any law, ordinance, or regulation of
any Federal, State, or local government body.

A copy of this determination will be forwarded to the Federal Communications
Commission if the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (907)271-5863.
On any future correspondence concerning this matter, please refer to
Aeronautical Study Number 2006-ANM-652-0E.

Signature Control No: 456165-448284
(DNE)
Robert van Haastert
Specialist
Attachment(s)
Additional Information

7460-2 Attached
NARRATIVE AERONAUTICAL STUDY NO. 2006-ANM-652-OE through 2006-ANM-672-OE

1. LOCATION OF PROPOSED CONSTRUCTION
The Vantage Wind Farm proposal includes twenty one (21) 389 AGL wind turbines identified in the table below. The Vantage Wind Farm would be located south and east of the Renewable Energy Wind Turbine Project, east of the town of Vantage and the Columbia River in Kittitas County, north and south of the east-west Highway (HWY) 10 and HWY 90 in Ginkgo State Park and in the Quilomene Wildlife Recreational Area.

2. OBSTRUCTION STANDARDS EXCEEDED
The proposed wind turbines would not be identified as an obstruction under the standards of Federal Aviation Regulations, Part 77.

3. EFFECT ON AERONAUTICAL OPERATIONS
   a. The impact on arrival, departure, and en route procedures for aircraft operating under visual flight rules (VFR) follows: nine (9) of the 21 wind turbines (2006-ANM-652, 653, 654, 655, 656, 657, 663, 670, 671) would be along a major VFR flyway (HWY 10 and HWY 90) through the Boyolson and Whiskey Dick Mountain ranges.

   b. The impact on arrival, departure, and en route procedures for aircraft operating under instrument flight rules (IFR) follows: none.

   c. The impact on all-existing public-use airports and aeronautical facilities follows: None.

   d. The impact on all planned public-use airports and aeronautical facilities follow: None.

   e. The cumulative impact resulting from the proposed construction or alteration of a structure when combined with the impact of other existing or proposed structures follows: None.

4. CIRCULATION AND COMMENTS RECEIVED
The proposal was not circulated for public comment based upon the results of an internal aeronautical study.

5. DETERMINATION - NO HAZARD TO AIR NAVIGATION
It is determined that the proposed construction would not have a substantial adverse effect on the safe and efficient use of navigable airspace by aircraft.

6. BASIS FOR DECISION
Nine of the 21 proposed wind turbines would be located along a major VFR flyway. Wind Turbine project location and structure identification by pilots can be enhanced by use of white paint and synchronized lighting.

7. CONDITIONS
Wind turbine lighting systems SHALL BE SYNCHRONIZED so that they flash simultaneously. Turbines shall be lit with a single flashing red beacon (L-864) system in accordance with FAA Advisory Circular 70/7460-1K, Obstruction Marking and Lighting, Chapters 4, 5, & 12. The advisory circular is available online at http://www.faa.gov/ats/ata/ai/AC70_7460_1K.pdf. It is also free of charge, from the Department of Transportation, Subsequent Distribution Section, M-494.3, 400 7th Street, SW, Washington, DC 20590.
Wind turbine 2006-ANM-672-OE shall synchronize its lighting with the Renewable Energy wind turbine project.

Turbines shall also be painted white in order to utilize the single red obstruction lighting system in accordance with the FAA Technical Notice TN05-50.

Within ten days after the structure reaches its greatest height, proponent is required to file a FAA form 7460-2, Actual Construction notification, at the OE/AAA website (http://oeaaa.faa.gov). The Actual Construction notifications along with the attached surveys will be the source documents for the National Aeronautical Charting Office (NACO) to chart the wind turbines on sectional charts.

Provide a signed, certified engineering/survey data from a professional engineer, architect or surveyor on the certifiers letterhead regarding each proposed wind turbine site location & height in the following exact format below:

For Aeronautical Study No. 2006-ANM-652 thru 672)-OE, I certify that the latitude _______ and longitude ________ are accurate within +/- 50 feet horizontally; and the site elevation of ______ feet AMSL is accurate within +/- 20 feet vertically. With a structure height of ______ feet AGL, the overall height is ______ feet AMSL. The horizontal datum (coordinates) are in terms of the North American Datum of 1983 (NAD83) and expressed as degrees, minutes and seconds. The vertical datum heights are in terms of the National Geodetic Vertical Datum of 1988, and are determined to the nearest foot.

SIGNED: ____________________________
(Professional Engineering Title (REQUIRED))
(With seal imprint)

PRINTED: ____________________________

To fill this survey data requirement, each wind turbine survey should be attached to its Aeronautical Study Number via an electronic upload (adobe pdf only) at the OE/AAA website (http://oeaaa.faa.gov).

The table below indicates which aeronautical studies require lighting:

<table>
<thead>
<tr>
<th>ASN</th>
<th>Project</th>
<th>Lighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-ANM-652-OE</td>
<td>1-T001</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-653-OE</td>
<td>1-T002</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-654-OE</td>
<td>1-T003</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-655-OE</td>
<td>1-T004</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-656-OE</td>
<td>1-T005</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-657-OE</td>
<td>1-T006</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-658-OE</td>
<td>2-T001</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-659-OE</td>
<td>2-T002</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-660-OE</td>
<td>2-T003</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-661-OE</td>
<td>2-T004</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-662-OE</td>
<td>2-T005</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-663-OE</td>
<td>2-T006</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-664-OE</td>
<td>2-T007</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-665-OE</td>
<td>2-T008</td>
<td>NO, provided 661 is lighted</td>
</tr>
<tr>
<td>2006-ANM-666-OE</td>
<td>3-T001</td>
<td>NO, provided Renewable Energy Project is built.</td>
</tr>
<tr>
<td>2006-ANM-667-OE</td>
<td>3-T002</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-668-OE</td>
<td>3-T003</td>
<td>YES</td>
</tr>
<tr>
<td>Code</td>
<td>Name</td>
<td>Status</td>
</tr>
<tr>
<td>--------------</td>
<td>------</td>
<td>--------</td>
</tr>
<tr>
<td>2006-ANM-669-OE</td>
<td>3-T004</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-670-OE</td>
<td>3-T005</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-671-OE</td>
<td>3-T006</td>
<td>YES</td>
</tr>
<tr>
<td>2006-ANM-672-OE</td>
<td>3-T007</td>
<td>YES</td>
</tr>
<tr>
<td>-x-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>