

**AMENDMENT NO. 1 TO
COMPETITIVE OFFER POWER PURCHASE AGREEMENT (BP-14-007)
BETWEEN THE CITY OF LOS ANGELES BY AND THROUGH THE
DEPARTMENT OF WATER AND POWER
AND
SUNE LADWP 2, LLC**

THIS AMENDMENT NO. 1 (“Amendment”) to COMPETITIVE OFFER POWER PURCHASE AGREEMENT BETWEEN CITY OF LOS ANGELES ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER AND SUNE LADWP 2, LLC WITH FILE NO. BP 14-007 (“Agreement”) is entered into between the CITY OF LOS ANGELES acting by and through the DEPARTMENT OF WATER AND POWER, (“Buyer”), and SUNE LADWP 2, LLC (“Seller”), collectively referred to as “Parties”, and shall take effect on the date this Amendment is executed by both Parties.

WHEREAS, through a competitive RFP and negotiation process, SUNE LADWP 2, LLC, received a 12-MW FiT50 obligation to develop and construct solar projects in the City of Los Angeles; and

WHEREAS, pursuant to Sections 3.4 and 3.6 of the Agreement the project must meet the following milestone schedule:

Milestone I: 4 megawatts by December 31, 2015

Milestone II: 4 megawatts by March 31, 2016

Milestone III: 4 megawatts by December 31, 2016; and

WHEREAS, in order to support the development and construction of FiT50 projects, SUNE LADWP 2, LLC requested the milestone schedule to be extended; and

WHEREAS, the parties anticipate that an extension of the milestones would increase the likelihood of project completion.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties hereto agree as follows:

1. Section 3.4 of the Agreement is deleted and replaced in its entirety as follows:

Section 3.4 Commercial Operation Schedule.

Each Facility must achieve Commercial Operation in accordance with the fulfillment rules in Appendix A. Seller shall provide Buyer with certification demonstrating that each individual Facility has reached Commercial Operation. The Commercial Operation Deadline for Facilities shall meet the following milestone schedule and associated installment capacities:

Milestone I– 4 megawatts of Facilities with each Facility having a Commercial Operation Deadline of December 31, 2015

Milestone II – 4 megawatts of Facilities with each Facility having a Commercial Operation Deadline of December 31, 2016

Milestone III – 4 megawatts of Facilities with each Facility having a Commercial Operation Deadline of February 28, 2017

2. Section 3.6 of the Agreement is deleted and replaced in its entirety as follows:

Section 3.6 Performance Security.

Seller shall provide Performance Security in the form of an irrevocable letter of credit in the amount of \$200 for each kilowatt of the total Agreement Capacity to Buyer on or prior to the Effective Date. Seller shall maintain Performance Security until Commercial Operation milestones are achieved as set forth in this Section 3.6. Seller will be required to reach Commercial Operation milestones of 4 megawatts by December 31, 2015, 4 megawatts by December 31, 2016, and 4 megawatts by February 28, 2017. If milestones are not met, liquidated damages funded by the performance security will be collected, prorated based on the kilowatt(s) not in Commercial Operation by the Seller. If the kilowatt milestones are not met for any particular milestone, those kilowatts that do not achieve Commercial Operation will be forfeited for the remainder of the Agreement. If no kilowatt(s) are in Commercial Operation by December 31, 2016, the remaining performance security will be forfeited and the Seller will forfeit the right to further sell energy for all remaining Capacity under this Agreement. In the event that Seller cannot meet either Milestone II or Milestone III due to delays caused by Buyer, Seller's sole remedy will be an extension of Milestone III for up to three months, as determined by the Buyer at Buyer's sole discretion. After all performance security due to Buyer, if any, is received by Buyer as a result of the completion of the Commercial Operation milestone process described in this Section 3.6 for the milestones, Seller has no further obligation to maintain any letter of credit or other performance security for the remainder of the

Agreement Term. Prior to Buyer granting an extension for Milestone II and III, Seller must provide evidence that any letter of credit or other performance security is active and available for the remainder of the Agreement Term. If Seller fails to renew, replace or extend any letter of credit which has been provided as Performance Security at least thirty (30) Calendar Days prior to its expiration, Buyer may, at its sole discretion, immediately draw the entire amount of the Performance Security.

3. Except as specifically modified or amended in this Amendment, there are no other modifications or amendments to the Agreement and, in all other respects, the Agreement shall remain in full force and effect. In the event of any conflict, inconsistent, or incongruity between any provision of this Amendment and any provision of the Agreement, the provisions of this Amendment shall govern and control.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives as of the date set forth below.

Date: 2/23/2016

By: *Tanya Willacy*

Tanya Willacy

Print Name

Secretary and General Counsel

Title

Approved

SUNE LEGAL DEPT

02/23/2016

LV

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES BY
BOARD OF WATER AND POWER COMMISSIONERS
OF THE CITY OF LOS ANGELES

Date: _____

By: _____

MARCIE L. EDWARDS

Print Name

General Manager

Title

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

FEB 22 2016

BY *William H. KySELLA, Jr.*
WILLIAM H. KYSELLA, JR.
DEPUTY CITY ATTORNEY

And: _____

BARBARA E. MOSCHOS

Board Secretary