

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
APPLICATION FOR: (1) REVISION OF)
ITS RETAIL RATES UNDER ADVICE)
NOTICE NO. 282; (2) AUTHORIZATION) **CASE NO. 19-00170-UT**
AND APPROVAL TO SHORTEN THE)
SERVICE LIFE OF AND ABANDON ITS)
TOLK GENERATING STATION UNITS;)
AND (3) OTHER RELATED RELIEF,)
)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
)
APPLICANT.)
)
)**

DIRECT TESTIMONY

of

MARK LYTAL

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

TABLE OF CONTENTS

GLOSSARY OF ACRONYMS AND DEFINED TERMS.....	iii
LIST OF ATTACHMENTS	v
I. WITNESS IDENTIFICATION AND QUALIFICATIONS	1
II. ASSIGNMENT AND SUMMARY OF TESTIMONY AND RECOMMENDATIONS	4
III. SELECTION AND MANAGEMENT OF ENERGY SUPPLY CAPITAL PROJECTS	9
IV. ENERGY SUPPLY CAPITAL ADDITIONS.....	17
A. ENERGY SUPPLY CAPITAL ADDITIONS FOR THE PERIOD OF APRIL 1, 2018 THROUGH MARCH 31, 2019	18
1. RELIABILITY & PERFORMANCE ENHANCEMENT CAPITAL ADDITIONS.....	20
2. ENVIRONMENTAL COMPLIANCE CAPITAL ADDITIONS	27
3. NEW GENERATION CAPITAL ADDITIONS.....	29
B. ENERGY SUPPLY CAPITAL ADDITIONS FOR THE PERIOD OF APRIL 1, 2019 THROUGH AUGUST 31, 2019	30
1. RELIABILITY & PERFORMANCE ENHANCEMENT CAPITAL ADDITIONS.....	32
2. ENVIRONMENTAL COMPLIANCE CAPITAL ADDITIONS	36
3. NEW GENERATION CAPITAL ADDITIONS.....	37
V. HALE WIND PROJECT CAPITAL COSTS.....	39
VI. CHANGES IN USEFUL LIVES OF TOLK GENERATING UNITS.....	50
A. TOLK GENERATING STATION.....	51
B. TOLK WATER LIMITATIONS	52
C. SPS’S WATER MODELING OF TOLK RETIREMENT SCENARIOS.....	72
D. COST INPUTS TO SPS’S STRATEGIST ANALYSIS FOR TOLK RETIREMENT	76
VII. CHANGES IN USEFUL LIVES OF OTHER GENERATING UNITS	81
VIII. CARLSBAD GENERATING STATION DECOMMISSIONING AND DISMANTLING COSTS	83
VERIFICATION.....	87

GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
AFUDC	Allowance for Funds Used During Construction
Base Period	April 1, 2018 through March 31, 2019
BOP	Balance of Plant
Capital Services	Capital Services, LLC, an affiliate of Xcel Energy
CEM	Continuous Emission Monitoring
Carlsbad	Carlsbad Generating Station
Commission	New Mexico Public Regulation Commission
DCS	Distributed Control System
GSU	Generator Step Up
gpm	gallons per minute
HPWD	High Plains Water District
IFC	issue for construction
kV	kilovolt
kW	kilowatt
MSA	Master Supply Agreement
MW	megawatt
NERC	North American Reliability Corporation
NSP-M	Northern States Power Company, a Minnesota corporation
O&M	operation and maintenance

<u>Acronym/Defined Term</u>	<u>Meaning</u>
OAA	Omnibus Appropriations Act
Operating Companies	Northern States Power Company, a Minnesota corporation; Northern States Power Company, a Wisconsin corporation; Public Service Company of Colorado, a Colorado corporation; and SPS
PM	Project Manager
PTC	Production Tax Credit
PSA	Purchase and Sale Agreement
RPC	Regional Planning Committee
SPP	Southwest Power Pool
SPS	Southwestern Public Service Company, a New Mexico corporation
Test Year	Historical Test Year Period consisting of the Base Period and further incorporating all proper adjustments and capital additions
Tolk	Tolk Generating Station
Total Company or total company	Total SPS (before jurisdictional allocation)
TSA	Turbine Supply Agreement
TWDB	Texas Water Development Board
Vestas	Vestas-American Wind Technology, Inc.
VFD	variable frequency drive
WBS	Work Breakdown Structure
Xcel Energy	Xcel Energy Inc.

LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
ML-1	Total Company Amounts and Jurisdictional Percentages (Filename: ML-1.xlsx)
ML-2	Energy Supply Capital Additions to Plant in Service: April 1, 2018 through March 31, 2019 (Filename: ML-2.xlsx)
ML-3	Energy Supply Capital Additions to Plant in Service: April 1, 2019 through August 31, 2019 (Filename: ML-3.xlsx)
ML-4	Hale Wind Project Commercial Operation Notice Letter (Non-native format)
ML-5	Purchase and Sale Agreement for Hale Wind Project (Non-native format)
ML-6(CD)	Tolk Scenarios – Water Model Depletion Ranges and Energy Supply Cost Inputs to Strategist Tolk Analysis (Filename: ML-6.xlsx)
ML-7(CD)	Workpapers (Filename: ML-7) (Workpapers will be provided on CD included in Attachment WAG-1(CD) to the Direct Testimony of William A. Grant under Folder: ML-7)

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is Mark Lytal. My business address is 790 South Buchanan Street,
4 Amarillo, Texas 79101.

5 **Q. On whose behalf are you testifying in this proceeding?**

6 A. I am filing testimony on behalf of Southwestern Public Service Company, a New
7 Mexico corporation (“SPS”) and wholly-owned electric utility subsidiary of Xcel
8 Energy Inc. (“Xcel Energy”).

9 **Q. By whom are you employed and in what position?**

10 A. I am employed by Xcel Energy Services Inc., the service company subsidiary of
11 Xcel Energy, as Director, Regional Capital Projects in the Engineering and
12 Construction Department of Energy Supply, which is the generation operation and
13 maintenance (“O&M”) business unit of Xcel Energy.

14 **Q. Please briefly outline your responsibilities as Director, Regional Capital
15 Projects in the Engineering and Construction Department of Energy Supply.**

16 A. I am responsible for managing the capital budget process and projects for the SPS
17 region within the Energy Supply business unit. Thus, I am responsible for the
18 regional capital budget, schedules, development, and construction for all of SPS’s
19 electric generating projects. I directly manage the major projects for SPS and

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 supervise other managers handling smaller projects. My management duties
2 include safety, technical design selection, engineering and contractor oversight,
3 managing the bidding process, and negotiating major equipment supply
4 agreements. I work with the Environmental, Regulatory, Engineering and
5 Technical Resources, and Resource Planning departments to assist with scoping
6 and planning of new generation and major generation retrofit projects.

7 **Q. Please describe your educational background.**

8 A. I have a Bachelor of Science in Mechanical Engineering from Texas Tech
9 University and a Masters of Engineering in Engineering Management from the
10 University of Colorado.

11 **Q. Please describe your professional experience.**

12 A. I have 30 years of experience in the utility industry in the design, construction,
13 O&M of power generation plants including coal, combustion turbine/combined
14 cycle facilities, and wind generation. I have worked with Xcel Energy and SPS in
15 engineering management and production, supervisory, project, and plant
16 engineering positions. I have served as Director, Technical Resources and
17 Compliance. In that position, I had oversight of a multi-state, multi-jurisdiction
18 technical team of over fifty engineers, technical specialists, and compliance
19 specialists. In that role, I developed, monitored, and adjusted the policies,

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 procedures, and standards needed to apply comprehensive, effective, and efficient
2 technical knowledge and support of power plant engineering, operations, and
3 maintenance. I have also provided strategic direction and leadership of Energy
4 Supply's internal reliability standard compliance program and its implementation.

5 **Q. Have you attended or taken any special courses or seminars relating to**
6 **public utilities?**

7 A. Yes. Over my career, I have taken numerous courses and seminars related
8 specifically to the construction and operation of power plants. I have given
9 technical presentations on high energy piping, general project management,
10 power plant operations, and maintenance.

11 **Q. Do you hold a professional license?**

12 A. Yes. I am a registered profesional engineer in the state of Texas.

13 **Q. Are you a member of any professional organizations?**

14 A. Yes. I am a member of the American Society of Mechanical Engineers.

15 **Q. Have you testified before any regulatory authorities?**

16 A. I have served as an expert witness during North American Electric Reliability
17 Corporation ("NERC") Standards audit engagements in both engineering and
18 leadership capacities.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Additionally, I provide the justification for SPS’s proposed changes to the
2 useful lives of several plants for the Depreciation Study presented by SPS witness
3 Dane A. Watson.

4 Finally, I describe the dismantling of the Carlsbad Generating Station
5 (“Carlsbad”) and provide a final accounting of the actual dismantling costs for
6 Ms. Wold’s calculations made in accordance with the requirements established in
7 Case No. 17-00089-UT.¹

8 **Q. Please summarize the conclusions and recommendations in your testimony.**

9 A. First, I recommend that the New Mexico Public Regulation Commission
10 (“Commission”) approve the requested amount of SPS’s Energy Supply capital
11 additions in this proceeding. The Energy Supply capital additions for the period
12 of April 1, 2018 through August 31, 2019 that SPS is requesting total
13 \$227,217,676 on a New Mexico retail basis. That amount consists of
14 \$11,634,816 for projects placed in service during the period of April 1, 2018
15 through March 31, 2019, and \$215,582,860 for projects placed or expected to be
16 placed in service during the period of April 1, 2019 through August 31, 2019,
17 including the Hale Wind Project. The projects were reasonable and necessary to

¹ *In the Matter of Southwestern Public Service Company’s Application Requesting Approval to Retire and Abandon its Carlsbad Generating Station, Case No. 17-00089-UT, Final Order Adopting Recommended Decision (Dec. 7, 2017).*

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 construct, equip, repair, and maintain SPS’s generating plants and to provide
2 functional and safe facilities for SPS’s operations. The process for selecting
3 projects and managing costs ensures that the costs for these projects were
4 reasonable and prudently incurred. Therefore, the Commission should authorize
5 these Energy Supply capital additions to be included in SPS’s rate base.

6 I also recommend that the Commission approve SPS’s proposal to reduce
7 the depreciation lives of SPS’s Tolk Units to 2032 for generating purposes. This
8 request is reasonable and necessary in light of the water limitations affecting the
9 operation of Tolk. As part of this proposal, it would be necessary for SPS to
10 install a synchronous condenser on each Tolk unit, which will benefit customers
11 by providing needed voltage stability. SPS has identified the existing assets at
12 Tolk that will remain to support operation of the synchronous condensers, and
13 SPS is proposing a depreciable life for those assets ending in 2055.

14 SPS is proposing to change the useful lives of several of its generating
15 units, as shown in Section VII of my testimony, so that those dates will be
16 consistent across SPS’s jurisdictions for planning purposes. SPS is also
17 proposing that the Commission adopt a 25-year useful life for the Hale Wind
18 Project based on an estimate of the average service life of a turbine provided by
19 Vestas-American Wind Technology, Inc. (“Vestas”), the turbine manufacturer.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 With respect to Carlsbad, I recommend that the Commission find that
2 SPS's decommissioning and dismantling expenses were reasonable and
3 necessary.

4 **Q. Were Attachments ML-1 through ML-3 and ML-6(CD) prepared by you or**
5 **under your direct supervision and control?**

6 A. Yes.

7 **Q. Are Attachments ML-4, ML-5, and ML-7(CD) true and correct copies of the**
8 **documents you describe in your testimony?**

9 A. Yes.

10 **Q. How were New Mexico retail jurisdictional amounts in your testimony and**
11 **attachments calculated?**

12 A. Throughout this testimony, I quantify the expense and asset amounts on a New
13 Mexico retail basis based upon the jurisdictional allocation percentages SPS
14 witness Arthur P. Freitas uses to develop the New Mexico retail revenue
15 requirement in his Attachment APF-6. Mr. Freitas is responsible for calculating
16 jurisdictional allocation percentages that apply to the various costs components in
17 the cost of service. My staff and I conferred with Mr. Freitas and his staff to
18 determine these New Mexico retail jurisdictional amounts presented in my
19 testimony and attachments. If the percentages used to allocate amounts to the
20 New Mexico retail jurisdiction change, those new allocation percentages will

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 need to be applied to the total company numbers to derive updated New Mexico
2 retail amounts. My Attachment ML-1 contains the total company numbers and
3 the jurisdictional percentages used to derive the New Mexico retail amounts in my
4 testimony.

1 **III. SELECTION AND MANAGEMENT OF ENERGY**
2 **SUPPLY CAPITAL PROJECTS**

3 **Q. Please describe the Energy Supply business area and the work that Energy**
4 **Supply performs to support SPS’s operations.**

5 A. The Energy Supply Business Unit is a multi-regional organization of Xcel
6 Energy. Its primary purpose is the production of electricity and its delivery to the
7 transmission system of the Xcel Energy Operating Companies, including SPS.²
8 Energy Supply consists of an Operations unit that operates and maintains power
9 plants in the SPS region, an Environmental Services organization that supports the
10 environmental functions of the power plants, an Engineering and Construction
11 unit that provides project and engineering services for capital additions, as well as
12 engineering and technical support for O&M issues. The Energy Supply
13 organization is rounded out by a Business Operations organization, which
14 performs asset analysis, budgeting, reporting, and compliance.

² Xcel Energy is the parent company of four utility operating companies: Northern States Power Company, a Minnesota corporation (“NSP-M”); Northern States Power Company, a Wisconsin corporation; Public Service Company of Colorado, a Colorado corporation; and SPS (collectively, “Operating Companies”).

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. What are the primary business drivers affecting Energy Supply's capital**
2 **expenditures?**

3 A. Multiple factors are driving Energy Supply capital requirements. The most
4 significant factors on existing facilities include the age of SPS's units, increased
5 unit cycling due to the Southwest Power Pool ("SPP") Integrated Marketplace,
6 and unit operation condition. Energy Supply has specific evaluation and ranking
7 criteria that it uses in the development, ranking, and planning of capital projects.
8 Another major driver of capital expenditures is the development of new energy
9 resources and the construction of such facilities.

10 **Q. Please describe the process for ranking and funding Energy Supply capital**
11 **projects.**

12 A. As each new fiscal year approaches, plant personnel review their systems and
13 identify and submit projects that they expect to implement over a five- to ten-year
14 period. As the plant personnel identify and develop capital projects, they have
15 operational and other data available that allows them to identify and quantify how
16 the project meets specific drivers and criteria. The plant personnel specify the
17 identified information on the project document that they submit as part of the
18 project evaluation and budgeting process.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Each proposed capital project is reviewed and prioritized using multiple
2 criteria, including financial merit (such as Net Present Value or Present Value of
3 Revenue Requirements) and operational factors such as impact on unplanned
4 outage rate, equipment condition, and environmental compliance laws and
5 regulations, efficiency, reliability, capacity, and safety. Projects that are
6 evaluated include those that may be completed in a single year, such as replacing
7 the bags in a fabric filter dust collector, as well as those that will require multiple
8 years to execute and complete, such as constructing a cooling tower internal
9 structure.

10 Plant personnel then submit their proposed projects to a review committee
11 of engineers and subject matter experts that reviews and validates the need for the
12 projects and the cost estimates. If approved, a proposed project is passed on to
13 the Regional Planning Committee (“RPC”). The RPC reviews and validates the
14 list of projects, the ranking attributes, timing for the expenditures, the project
15 drivers, supporting information, and the necessity of the projects.

16 As part of this process, each project has numerical points assigned based
17 on the way the attributes were chosen that creates a project total number. The
18 RPC utilizes this numerical ranking to create a prioritized list of projects to
19 evaluate against the available budget for the next year, as well as the planned unit

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 outage schedule for the next several years and known regulatory factors, such as
2 new environmental regulations. The RPC makes adjustments to schedules and
3 budgets as required to account for evolving conditions and factors, and proposes a
4 final list of projects that meets the planned budget targets for the next five years.
5 This process allows SPS to submit a five-year projection of capital expenditures
6 with estimated in-service dates to the corporate capital budget process. The most
7 recent five years of planning information, capital additions, and estimated in-
8 service dates are recorded in the corporate budgeting system. In addition, the
9 RPC meets throughout the year to review emergent projects, described in more
10 detail below, make adjustments to projects currently under way, and recommend
11 those emergent projects that must be undertaken to meet operational or business
12 requirements.

13 **Q. Please generally describe how the Energy Supply business area develops cost**
14 **estimates for proposed capital additions.**

15 A. Initial cost estimates are prepared by plant personnel and included in the project
16 request that is submitted to the Director, Regional Capital Projects. The project is
17 reviewed for clarity, soundness of engineering, regional priorities, consistency of
18 approach, and cost. If acceptable, the project is passed to the regional engineering
19 manager who then assigns it to a Project Manager (“PM”) for detailed engineering

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 and development. During this development stage, the project is engineered at a
2 level to provide enough information for a cost to be developed. This engineering
3 can be performed by internal engineers or by an external engineering organization
4 depending on the complexity. The use of budgetary quotes is utilized during this
5 process for delivery and cost estimates.

6 **Q. Please explain how Energy Supply capital costs are managed.**

7 A. After a capital project has been approved for execution, it is assigned to a PM,
8 typically three to six months in advance of the first planned activity required to
9 commence the project. The PM is responsible for working with plant engineering
10 and technical services personnel as well as subject matter experts to review and
11 more fully develop the final scope, schedule, and monthly cash flow requirements
12 for the assigned project.

13 The PM will typically competitively bid the project work utilizing the
14 Supply Chain organization to firm up cost and schedule data during the
15 engineering and purchasing activities. If the PM identifies specific information
16 related to significant potential cost or schedule variance from the original
17 approved budget, the PM advises management and recommends options for
18 consideration. Management then responds, as appropriate, depending on the
19 specifics of the information provided. As the PM works through the project

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 details, the PM develops a final scope of work, detailed cash flow, and schedules
2 for the project. The PM submits the updated project details to management as a
3 funding plan, which once approved, allows the project manager to start creating
4 work orders that will collect the project charges at the Work Breakdown Structure
5 (“WBS”) 4 Level. The WBS 4 level in the project management system indicates
6 the actual work being completed as part of an overall project, which is defined at
7 the WBS 2 level.

8 If the updates result in significant changes to the original approved budget,
9 the funding plan is considered the first change order for the project. These
10 updated schedules and expected cash flows are entered into corporate accounting
11 and project management systems when the WBS Level 4 orders are assigned.

12 After a project is funded and begins, the PM receives weekly or monthly
13 reports that track actual expenditures and compares such expenditures to the
14 capital budget for the project. Monthly, significant budget variances are noted
15 and reviewed to ascertain the cause for the variance and what corrective actions
16 can be taken if budget limits have been exceeded or were greatly overstated. If
17 corrective action is necessary and feasible, it is implemented. Sometimes the
18 variance is simply a timing issue and no corrective action is necessary.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 In other cases, the budget may need to be amended because the project is
2 more or less costly than originally contemplated. In such situations, a scope or
3 budget change order is developed that revises the project to align with the current
4 needs. As the Director, Regional Capital Projects, I have reviewed and approved
5 these requests. On a monthly basis, all of the changes are reviewed by the project
6 manager and then the RPC to re-rank these projects along with new emergent
7 projects to align with the year-end budget target. Adjustments are made to the
8 regional portfolio so as not to exceed the year-end budget target for the SPS
9 region. If meeting the target is not in the best interest of operations, the Director,
10 Regional Capital Projects will submit a regional target adjustment request to
11 executive management for review and approval.

12 SPS also budgets for unexpected Energy Supply capital needs. Typically
13 during the year, outage inspections will discover equipment that needs significant
14 repair or replacement to maintain unit reliability. In other situations, equipment
15 will fail. To address these situations, when Energy Supply submits its budget
16 information, it includes an “Emergent Fund” project for each generating plant.
17 During the year following that budget submission, if equipment fails or an
18 inspection indicates that equipment needs significant repair or replacement, an
19 “emergent project” will be submitted by the plant director to fund the project.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Actual costs of a project funded via an “Emergent Fund,” are recorded to a
2 WBS 4 level project number. All such lower level project numbers funded via the
3 “Emergent Fund” budget will roll up to the WBS 2 level Emergent Fund project
4 number in the accounting records to track what the Emergent Fund monies were
5 actually used for.

6 These projects are assigned to a project lead or PM and the scope and cost
7 reviewed. Depending on the time sensitivity of the project, the Regional Capital
8 Director will fund the project if deemed critical to be completed in the current
9 year. If time permits, the project will be reviewed by the RPC. To meet year-end
10 regional targets, the project is funded out of the Emergent Fund. If funds are not
11 available, other projects will be cut or delayed or a target adjustment will be
12 requested from executive management.

13 **Q. Is a capital WBS Level 4 order closed as soon as the equipment subject to**
14 **that order is placed in service?**

15 A. No. Frequently, minor work continues after the equipment is placed in service
16 and charges can continue for a short period after the in-service date is recognized
17 on a WBS Level 4 order. These charges can include recognition of the final bills
18 from vendors, testing of the equipment, and settlement of any disputes.

1 **IV. ENERGY SUPPLY CAPITAL ADDITIONS**

2 **Q. As part of this rate case, is SPS asking to include Energy Supply capital**
3 **additions in its rate base?**

4 A. Yes. SPS is asking to include in rate base Energy Supply capital additions that
5 closed or are expected to close to plant in service during the period of April 1,
6 2018 through August 31, 2019. SPS has included these capital additions in its
7 Test Year rate base. In Subsection A of this section, I address the capital
8 additions that have closed to plant in service during the period of April 1, 2018
9 through March 31, 2019. In Subsection B, I address the capital additions that
10 have closed to plant in service or are expected to close to plant in service during
11 the period of April 1, 2019 through August 31, 2019. All of these Energy Supply
12 capital additions support SPS's ability to provide safe and reliable electric service
13 to its customers.

14 **Q. Do the Energy Supply capital additions include any significant new projects?**

15 A. Yes. The Hale Wind Project began commercial operation in June 2019. I provide
16 more details about the Hale Wind Project energy supply capital additions in the
17 following subsections as well as Section V. of my testimony.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **A. Energy Supply Capital Additions for the Period**
2 **of April 1, 2018 through March 31, 2019**

3 **Q. What is the dollar amount of the Energy Supply capital additions that SPS is**
4 **requesting in this case for the period of April 1, 2018 through March 31,**
5 **2019?**

6 A. SPS is requesting \$11,634,816 on a New Mexico retail basis in Energy Supply
7 capital additions for the period of April 1, 2018 through March 31, 2019. This
8 amount consists of steam production capital additions of \$11,029,215, other
9 production capital additions of \$335,181, and general plant capital additions of
10 \$270,421.

11 **Q. Have you prepared a list of SPS’s requested Energy Supply capital additions**
12 **closed to plant in service during the period of April 1, 2018 through March**
13 **31, 2019?**

14 A. Yes. Attachment ML-2 is a list of SPS’s requested Energy Supply capital
15 additions for the period of April 1, 2018 through March 31, 2019. Attachment
16 ML-2 provides the following information:

Column A —	Asset Class	Identifies the type of asset.
Column B —	Witness	Identifies the witness supporting the project.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

Column C —	Project Category	Provides the project category that is descriptive of the project’s type.
Column D —	WBS Level 2 Number	Provides the WBS Level 2 number for the project.
Column E—	Project Description (WBS Level 2 Description)	Provides a short title for the WBS Level 2 number for the project.
Column F —	Additions to Plant in Service (April 1, 2018 – March 31, 2019) Total Company	Provides the total company dollar amount for the plant additions for the period April 1, 2018 through March 31, 2019.
Column G —	Additions to Plant in Service (April 1, 2018 – March 31, 2019) NM Retail	Provides the New Mexico retail dollar amount for the plant additions for the period April 1, 2018 through March 31, 2019.

1 **Q. Please describe the Energy Supply capital additions placed in service for the**
2 **period of April 1, 2018 through March 31, 2019, as shown on Attachment**
3 **ML-2.**

4 A. The plant additions for this period fall within one of the three following
5 categories: Reliability & Performance Enhancement, Environmental Compliance,
6 and New Generation (discussed in more detail in Section V), as shown in Table
7 ML-1 below.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1
2
3
Table ML-1
Energy Supply Capital Investment
for the period April 1, 2018 through March 31, 2019

Project Category	Energy Supply Capital Additions (total company)	Energy Supply Capital Additions (NM retail)
Reliability & Performance Enhancement	\$40,580,857	\$11,234,086
Environmental Compliance	\$1,392,628	\$385,497
New Generation	\$55,028	\$15,233
Total	\$42,028,513	\$11,634,816

4 *1. Reliability & Performance Enhancement Capital Additions*

5 **Q. Please describe the type of projects included in the Reliability &**
6 **Performance Enhancement category.**

7 A. This category of investment contains the capital additions for maintaining and
8 enhancing the safety, performance, and reliability characteristics of SPS's existing
9 production plant. For example, the replacement of equipment reduces the
10 occurrence of unplanned outages and helps to maintain a high reliability factor,
11 which reduces the need for higher cost replacement energy. Additionally, safety
12 projects ensure a safe workplace for employees and enable SPS to meet the safety
13 standards established by regulatory agencies. The total investment in this
14 category amounts to \$11,234,086 on a New Mexico retail basis during the period.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The projects described below account for 64% of the total dollar amount of
2 capital additions in this category. The remaining 36% of projects are similar in
3 nature in that they repair or replace aging technology, which is essential to
4 ensuring efficient and reliable business operations, and are presented on
5 Attachment ML-2.

- 6 • **Harrington Unit 3 - Replace Boiler Economizer** - \$1,159,718 NM
7 retail (\$4,189,538 Total Company) (Level 2 WBS A.0001550.035)
8 This project replaced the economizer tube panels and the soot blowers
9 in the economizer region of the boiler. This project was necessary to
10 address tube thinning and several economizer panels that fell because
11 the hanger steel overheated and failed. When the panels failed, tube
12 leaks resulted.

- 13 • **Tolk Unit 2 - Rewind Generator Rotor** - \$602,248 NM Retail
14 (\$2,175,648 Total Company) (Level 2 WBS A.0001555.500) The
15 scope of this project was to rewind the Tolk 2 generator rotor and
16 replace the retaining rings with 18Mn-18Cr material including the
17 long-ring modification. This included disassembly/reassembly of the
18 generator, shipping of the rotor, purchase of new retaining rings, initial
19 condition inspection, contract labor to perform the rewind using
20 existing rotor coils, high speed balancing, and final testing and Quality
21 Assurance and Quality Control inspections. The need for this project
22 stemmed from events related to generator vibration accounting for two
23 unit trips and 51 forced derates. After several discussions on the issues
24 with SPS's subject matter experts, the recommendation was to rewind
25 the rotor.

- 26 • **Harrington Unit 3 - Replace Air Pre-heater baskets** - \$449,500 NM
27 Retail (\$1,623,841 Total Company) (Level 2 WBS A.0001550.283)
28 This project replaced both the Cold and Hot end baskets of the Air
29 Preheater as well as the radial and by-pass seals. Over time Air
30 Preheater Baskets experience erosion due to fly ash. The breakdown
31 of the heat transfer surface reduces efficiency and increases back-end

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 temperatures affecting environmental control equipment. The Air
2 Preheater baskets plug with fly ash, and the differential pressure
3 increases, which can cause a unit to derate. The Air Preheater baskets
4 that were replaced had been in service since 2006.
- 5 • **Tolk Unit 2 - Replace Main Power Transformer** - \$443,774 NM
6 retail (\$1,603,155 total company) (Level 2 WBS A.0001555.296) The
7 purpose of this project was to replace the Unit 2 Generator Step Up
8 (“GSU”) (Main Power Transformer) and a portion of the Isolated
9 Phase Bus. The GSU and a large portion of the Isolated Phase Bus
10 was destroyed in an explosion and subsequent fire on February 5, 2018
11 due to a main power transformer fault, despite being current on
12 inspections and oil testing.
 - 13 • **Tolk Unit 1 - Replace Mill F Main Vertical Shaft** - \$380,511 NM
14 retail (\$1,374,614 total company) (Level 2 WBS A.0001555.500) This
15 project performed an emergency rebuild on the Tolk Unit 1 F Mill.
16 The vertical shaft assembly, including shaft, radial, and thrust bearings
17 were replaced. In addition to the regular rebuild, SPS conducted a
18 failure analysis of the mill. This included laser alignment of the shaft
19 bores, a thorough check of the mill foundations for soft foot, and a
20 check of spring tension and journal trunnion alignment. The main
21 vertical shaft in this mill was broken, rendering the mill inoperable,
22 which drove the need for the rebuild. Tolk is designed so that under
23 normal operating conditions five mills run and one mill remains in
24 standby. In addition, Mill F feeds the lowest elevation of coal nozzles,
25 which is the most important elevation from an emissions standpoint,
26 due to improvements in NOx and CO emissions.
 - 27 • **Harrington Unit 3 - Replace Cooling Tower Bottom Structure** -
28 \$339,696 NM retail (\$1,227,170 total company) (Level 2 WBS
29 A.0001550.475) This project replaced the entire bottom structure (the
30 bottom column and all associated tie-lines) on Harrington’s Unit 3
31 cooling tower. The tower is an original SPS design built in 1979 made
32 of treated redwood. In late 2015, the cooling tower was inspected.
33 The inspection found rotten fan decking, damaged fan deck supports,
34 damaged fan deck cross members, wood rot in wetted area (over 50%),
35 damaged wood supports in fill area, and missing splash fill.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 • **Tolk Units 1 & 2 - Replace Mill Gearbox and Journals** - \$562,608
2 NM retail (\$2,032,449 total company) (Level 2 WBS A.0001555.226
3 and A.0001555.223) These projects rebuilt the gearboxes and journals
4 on Unit 2, Mill E and Unit 1, Mill C. The following major
5 components were replaced on Unit 2, Mill E: vertical shaft assembly;
6 worm shaft assembly; journal pressure spring assembly. The
7 following major components were replaced on Unit 1, Mill C:
8 grinding rolls, vertical shaft and worm shaft bearings, vertical shaft
9 assembly, worm shaft assembly, worm drive, worm gear, and the
10 journals. These projects were necessary due to the age of the mills,
11 failure rates on gearbox components, and wear on the journal parts.
12 The major parts of this mill have been in service since 1985 (Unit 2 –
13 Mill E) and 1983 (Unit 1 – Mill C). The last inspection showed that
14 the gears were wearing and had teeth with spalled material, some to
15 the point of questionable structural integrity. Mercury and Air Toxics
16 Standards requires combustion equipment to be maintained at optimal
17 levels.
- 18 • **Tolk Unit 0 - Replace Railroad Ties Phases 3 & 4** - \$597,957 NM
19 retail (\$2,160,147 total company) (Level 2 WBS A.0001555.113 &
20 A.0001555.093) These projects replaced two miles of existing wooden
21 railroad ties with concrete ties and new ballast on the 4.5 miles of track
22 from the main line to the plant entrance. Concrete ties reduce the
23 maintenance costs of deteriorating wooden ties. Prior to the start of
24 the replacement of railroad ties at Tolk in 2012, monthly repairs and
25 tie replacements were barely maintaining the standards required to
26 maintain rail gauge. The condition of the rail ties is critical to the
27 reliability of the rail. Failure to replace ties when necessary can result
28 in train derailments and cause detrimental impacts to the fuel supply
29 for the plant. These projects were recommended by the fuel operations
30 consultant with the Xcel Energy Coal Supply Department.
- 31 • **Tolk Unit 1, Harrington Unit 3 & Cunningham Unit 2 - Upgrade**
32 **DCS Operator Stations and Control Processors** - \$639,336 NM
33 retail (\$2,309,631 total company) (Level 2 WBS A.0001555.257,
34 A.0001550.309 & A.0001545.122) - These projects upgraded the
35 Application Workstations, Workstation Processor, domain servers,
36 remote operator stations, redundant control processors, and the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 software version and licensing to the latest Foxboro version. These
2 projects were undertaken due to a Distributed Control System (“DCS”)
3 Upgrade committee composed of Technical Resources and
4 Compliance, Engineering and Construction, and Plant Engineers
5 developed a fleet-wide DCS Lifecycle Management plan to replace the
6 DCS hardware and software. This committee is tracking the lifecycle
7 of the DCS software and hardware components throughout the fleet
8 and coordinating the upgrade schedule with the current plant outage
9 schedules. The schedule reflects the realistic occurrence of a major
10 failure that could create unit trips and extended down time. Xcel
11 Energy’s Plant Process Network Security Policy EPR 4.200 Rev 2,
12 Section 4.13 states that hardware and software systems should be
13 current to allow patches for antivirus and malware updates that are
14 required to maintain cyber security protection as defined by the latest
15 NERC Critical Infrastructure Protection standard.

16 • **Tolk Unit 1 - Replace Coal Pipe and Elbows** - \$214,941 NM retail
17 (\$776,483 total company) (Level 2 WBS A.0001555.597) This project
18 installed 31 new coal piping sections, comprised of a 90-degree elbow
19 and a straight section of piping on Tolk Unit 1. Coal piping elbows
20 naturally wear due to the abrasive nature of coal. The new elbows
21 have an internal liner to resist internal wear. The sections replaced
22 were the most worn. Replacement was necessary to maintain mill
23 availability and reduce explosive dust hazards.

24 • **Plant X Unit 0 - Replace 50 Ton Turbine Crane** - \$185,020 NM
25 retail (\$668,393 total company) (Level 2 WBS A.0001534.157) This
26 project replaced the top running hoist and trolley package, which was
27 installed in 1950. The following parts were replaced: the main hook,
28 the bridge drive motor/brake system, control wiring, control cabinet,
29 obsolete main hoist 60hp variable frequency drive (“VFD”) and
30 obsolete auxiliary hoist 30hp VFD, obsolete trolley 3hp VFD, obsolete
31 remote radio system, obsolete bridge drive motor/ brake with dual
32 bridge drive gear motors, integrated brake and the rails for the trolley.
33 A 5-ton hook was replaced with a 20-ton hook for enhanced utility.
34 This project also installed digital weighing system with remote display
35 panel and updated the engineering drawings and documentation. The
36 Hoist System replaced was over 60 years old, obsolete, with parts that

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 were no longer available. During a recent inspection, significant wear
2 and damage that prohibited continued safe operation was noted.
- 3 • **Maddox Unit 1 - Replace Hot Reheat Terminal Tubes** - \$166,608
4 NM retail (\$601,878 total company) (Level 2 WBS A.0001529.500)
5 This project replaced all the terminal tubes coming from the Reheat
6 outlet header. The terminal tubes were replaced just above the Crown
7 Seal all the way to the header. The replaced assemblies were original
8 to the plant installed in 1967. The tubes in question had significant
9 long-term over-heating damage. A recent mapping and inspection
10 found that 40% of all the tubes were close to end of life.
- 11 • **Tolk Unit 1 - Replace Burner Assemblies** - \$160,928 NM retail
12 (\$581,360 total company) (Level 2 WBS A.0001555.043) This project
13 replaced two elevations of the Tolk #1 burner assemblies, including
14 coal nozzles and tips, one elevation of air tips, one elevation of close
15 coupled overfired air tips and all four elevations of Separated
16 Overfired Air Nozzle tips. If not replaced, the risks included increased
17 O&M costs related to the decreased efficiency of worn burner
18 assemblies, replacement of damaged components, reduced unit
19 availability, increased equivalent forced outage rate, and reduced
20 market revenue. This unit was inspected during the 2015 outage, and
21 replacement of these parts was warranted at this time.
- 22 • **Harrington Unit 2 - Install Ash Silo Elevator** - \$156,651 NM retail
23 (\$565,909 total company) (Level 2 WBS A.0001550.006) This project
24 installed an elevator to augment access to the ash storage silo. Along
25 with the elevator, this project required pouring a concrete foundation
26 for the elevator and some structural modification to the silo to
27 accommodate the elevator landing and platforms. This Ash Silo is the
28 only one at the plant which did not have an elevator. Due to the
29 amount of work, which included carrying tools and parts up the stairs
30 at the Ash Silo, adding an elevator tremendously reduces the risk for
31 injuries and facilitates a more rapid response to reach injured
32 employees.
- 33 • **Cunningham Unit 2 - Hot Reheat Abatement and Re-insulation** -
34 \$146,730 NM retail (\$530,070 total company) (Level 2 WBS
35 A.0001545.500) This project was to abate asbestos and thermal

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 insulation from hot reheat piping and re-insulate with non-asbestos
2 containing material (ACM) in order to perform inspections of the
3 piping. The Cunningham 2 hot reheat piping had been identified as
4 having known seamed piping. In order to manage the risk of piping
5 failures, Reliability Services and Overhaul Management recommended
6 inspection of portions of the hot reheat piping in the past and more
7 recently recommended 100% inspection of the remainder of the hot
8 reheat piping.

9 • **Maddox Unit 1 - Replace #1 High Pressure Feed Water Heater -**
10 \$146,612 NM retail (\$529,643 total company) (Level 2 WBS
11 A.0001529.067) This project replaced the High Pressure #1 Feed
12 Water Heater. The scope of work for this project included: removing
13 the existing High Pressure. This project was needed due to
14 degradation, increased vibration, and increased damage to non-
15 degraded tubes.

16 • **Nichols Unit 0 - Replace High Turbine Roof -** \$144,952 NM retail
17 (\$523,645 total company) (Level 2 WBS A.0001560.117) This project
18 included removal of the existing built-up roof down to the lightweight
19 concrete deck and installing a new built-up roof. The new roof
20 included new base sheets, hot asphalt, wall panels at parapets, cold-
21 process coal tar pitch flood coat, and gravel. The turbine high and low
22 roofs were leaking in several places causing degradation of the roof,
23 including the lightweight concrete decking. This degradation created
24 safety hazards for personnel and posed harm to plant equipment.

25 • **Harrington Unit 0 - Replace Soot Blower Air Compressor**
26 **Controls -** \$134,703 NM retail (\$486,622 total company) (Level 2
27 WBS A.0001550.244) This project replaced the 3+ Compressor
28 Control Corp controllers in all four compressors. This included
29 installing: four Series 3++ Load Sharing controllers, four Antisurge
30 controllers and one Master controller. This also included installing
31 TrainTools and Trainview Software. The replaced controllers were
32 obsolete with no spare parts and are no longer supported by the
33 manufacturer.

34 • **Jones Unit 0 - Smart Pig Test -** \$130,788 NM retail (\$472,480 total
35 company) (Level 2 WBS A.0001586.500) This project performed a

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Smart Pig Test on the Red River gas line to Jones Station. This project
2 included installation of 2 pig launchers and receivers and associated
3 equipment, as well as the first pig test and required cut-outs. Xcel
4 Energy has a requirement that gas lines need to have smart pigs run to
5 assure full integrity of the line.

6 • **Harrington Unit 1 & 2 - Replace Cooling Tower Fan Stacks -**
7 \$258,213 NM retail (\$932,808 total company) (Level 2 WBS
8 A.0001550.446 & A.0001550.450) These projects replaced cooling
9 tower exhaust stacks (14 on Unit 1 and 18 on Unit 2) with new
10 fiberglass exhaust stacks. A detailed inspection report showed
11 multiple locations of fan stack deterioration/holes. Weather and UV
12 have damaged the stacks, exposing the fiberglass strands that make up
13 the strength of the fiberglass. The stacks had lost their rigidity, so there
14 was a possibility they could destroy the fan blade if shifted enough.

15 • **Nichols Unit 3 - Replace Cooling Tower Mechanicals Phase 1 -**
16 \$127,780 NM retail (\$461,611 total company) (Level 2 WBS
17 A.0001560.123) This project replaced the torque tubes, gear boxes,
18 and driveshafts on the Nichols Unit 3 Cooling Tower. The combined
19 age and harsh operating environment of the Cooling Tower had
20 severely corroded the gear boxes and galvanized the torque tubes that
21 support the powertrain. This degradation was revealed when a fan
22 blade collided with the fiberglass stack and destroyed the torque tube,
23 fan blade, driveshaft, and shroud section. The corrosion could also
24 have allowed oil to leak from the gearbox causing it to seize and
25 creating an environmental spill.

26 2. *Environmental Compliance Capital Additions*

27 **Q. Please describe the type of projects included in the Environmental**
28 **Compliance category.**

29 A. This category of investment contains the capital additions necessary for ensuring
30 SPS's compliance with existing federal and state environmental regulations,
31 including permits. For example, necessary refurbishment or replacement of

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 equipment such as air monitoring equipment, evaporation ponds, landfill, and
2 pollution control equipment needed to ensure continuing compliance are included
3 in this category. The total investment in this category amounts to \$385,497 on a
4 New Mexico retail basis during the period. The projects described below account
5 for 82% of the dollars of the total capital additions in this category. The
6 remaining 18% of projects are similar in nature in that they repair or replace aging
7 technology, which is essential to ensuring efficient and reliable business
8 operations, and they are presented on Attachment ML-2.

- 9 • **Tolk Station Unit 2 - Replace Baghouse Bags** - \$131,690 NM retail
10 (\$475,735 total company) (Level 2 WBS A.0001555.089) This project
11 replaced the filter bags and cleaned the compartments in 6
12 compartments of the Unit 2 baghouse. Tolk's filter bags have a useful
13 life of 6 to 8 years and the bags in these compartments were 8 years
14 old and inspections during the 2014 outage show an increasing amount
15 of wear and pin holes, which indicates the bags should be replaced.

- 16 • **Harrington Station Unit 3 - Replace Baghouse Doors** - \$100,767
17 NM retail (\$364,027 total company) (Level 2 WBS A.0001550.458)
18 This project replaced the two 24" x 60" entry doors in each
19 compartment, for a total of 64 doors and frames for all 32
20 compartments. The interior surface of the doors on the Unit 3
21 baghouse had deteriorated due to acid attack and moisture infiltration.
22 Moisture causes sulfuric acid to form within the compartments
23 resulting in damage to the structure and walls within the baghouse
24 compartments. New doors provide a positive seal by adding a channel
25 across the door at the top, middle, and bottom to improve sealing.

- 26 • **Jones Unit 2 - Upgrade Continuous Emission Monitoring**
27 **("CEM") Foxboro System** - \$59,926 NM retail (\$216,485 total
28 company) (Level 2 WBS A.0001586.265) This project upgraded the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 CEM Foxboro System controls system. The systems were replaced
2 due to obsolescence, unreliability, lack of parts, and constant failures.

3 • **Jones Unit 1 - Upgrade CEMs Foxboro System** - \$57,601 NM retail
4 (\$208,087 total company) (Level 2 WBS A.0001586.264) This project
5 upgraded the CEMs Foxboro System controls system. The systems
6 were replaced due to obsolescence, unreliability, lack of parts, and
7 constant failures.

8 3. *New Generation Capital Additions*

9 **Q. Please describe the type of projects included in the New Generation category.**

10 A. This category of investment contains the capital additions necessary for
11 constructing the Hale Wind Project. The total investment in this category
12 amounts to \$15,233 on a New Mexico retail basis during the period. The project
13 described below accounts for 100% of the dollars of the total capital additions in
14 this category.

15 • **Hale Wind Project - Land Purchase** - \$15,233 NM retail (\$55,028
16 total company) (Level 2 WBS A.0001577.002) This project contains
17 the purchase of land for the Operation and Maintenance Building for
18 the Hale Wind Project. Further description of the Hale Wind Project
19 can be found in Section V. of this testimony.

20 **Q. Are the Energy Supply capital additions for the period of April 1, 2018**
21 **through March 31, 2019, presented in Attachment ML-2, reasonable and**
22 **necessary?**

23 A. Yes. As discussed in my testimony above, the Energy Supply capital additions
24 presented in Attachment ML-2 are reasonable and necessary to provide electric

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 service to SPS's customers and to maintain the reliability, operational, safety, and
2 environmental requirements of SPS's plants. The process for developing costs
3 and managing projects discussed in Section III ensures that the expenditures are
4 reasonable and necessary and that the costs were prudently incurred.

5 **B. Energy Supply Capital Additions for the Period**
6 **of April 1, 2019 through August 31, 2019**

7 **Q. What is the dollar amount of the Energy Supply capital additions for the**
8 **period of April 1, 2019 through August 31, 2019 that SPS is requesting to**
9 **include in rate base?**

10 A. SPS is requesting \$215,582,860 on a New Mexico retail basis in Energy Supply
11 capital additions for the period of April 1, 2019, through August 31, 2019. This
12 amount consists of steam production capital additions of \$8,642,108, other
13 production capital additions of \$198,996,634, electric transmission capital
14 additions of \$7,807,698, and general plant capital additions of \$136,419.
15 Attachment ML-3 provides all of the Energy Supply capital additions to plant in
16 service during this period.

17 **Q. Please describe the information included in Attachment ML-3, which**
18 **provides details about the dollar amount for Energy Supply capital additions**
19 **for the period of April 1, 2019, through August 31, 2019.**

20 A. Attachment ML-3 provides the following information:

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

Column A —	Asset Class	Identifies the type of asset.
Column B —	Witness	Identifies the witness supporting the project.
Column C —	Project Category	Provides the project category that is descriptive of the project’s type.
Column D—	Project Description	Provides a short title that describes the project.
Column E —	Additions to Plant in Service (April 1, 2019 – August 31, 2019) Total Company	Provides the total company dollar amount for the plant additions for the period April 1, 2019 through August 31, 2019.
Column F —	Additions to Plant in Service (April 1, 2019 – August 31, 2019) NM Retail	Provides the New Mexico retail dollar amount for the plant additions for the period April 1, 2019 through August 31, 2019.

1 **Q. Please describe the Energy Supply capital additions that have been or will be**
2 **placed in service for the period of April 1, 2019 through August 31, 2019.**

3 A. The capital additions that have been or will be placed in service during the period
4 of April 1, 2019 through August 31, 2019 that SPS is requesting to include in rate
5 base are similar to the projects that were closed during the period of April 1, 2018
6 through March 31, 2019 and that are discussed in the previous subsection of my
7 testimony. As with the projects discussed above, these projects support SPS’s
8 ability to provide safe and reliable electric service to its customers. The table
9 below shows the project categories and amounts.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1
2
3
Table ML-2
Energy Supply Capital Investment
for the Period April 1, 2019 through August 31, 2019

Project Category	Energy Supply Capital Additions (total company)	Energy Supply Capital Additions (NM retail)
Reliability & Performance Enhancement	\$39,229,551	\$10,859,640
Environmental Compliance	\$1,476,216	\$408,636
New Generation	\$712,203,910	\$204,314,583
Total	\$752,909,677	\$215,582,860

4
5
6
7
8
9
10
11
12
13
14
1. Reliability & Performance Enhancement Capital Additions

Q. Please describe the types of projects included in the Reliability & Performance Enhancement category.

A. The general description of the Reliability & Performance Enhancement category is provided in the previous subsection of this testimony and applies to the projects included for the period of April 1, 2019 through August 31, 2019 identified as “Reliability & Performance Enhancement” on Attachment ML-3. The total planned investment in this category is \$10,859,640 on a New Mexico retail basis during the period. The projects described below account for 60% of the total dollar amount for the capital additions in this category. The remaining 40% of the projects are similar in nature in that they repair or replace aging technology,

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 which is essential to ensuring efficient and reliable business operations, and are
2 presented on Attachment ML-3.

3 • **Cunningham Unit 3 - Rewind Generator** - \$1,631,381 NM retail
4 (\$5,893,440 total company) This project is to rewind the generator
5 stator including stator coils, end winding blocking and bracing support
6 systems, stator slot wedges and filler and perform generator high
7 potential test with successful results. After the Stator rewind as per
8 recommendation from TRAC on the 13.8-kilovolt (“kV”), 141 MVA-
9 rated generator. When the rotor is out, SPS will install new generator-
10 cooling, high-flow blower blades on the rotor. Replacement of the
11 blower requires a new blower hub, stationary blower shroud,
12 assembly, rotating blower blades, and modifications to the generator
13 end box. High voltage corona damage was found and repaired during
14 November-December 2017. The existing generator has a known
15 history of failures.

16 • **Tolk Unit 0 - Water Well Phase 8** - \$1,311,919 NM retail
17 (\$4,739,367 total company) This project is to design and construct
18 approximately 4.5 miles of water transmission pipeline, overhead
19 power, and access roads for additional well sites, as well as drill and
20 develop 6 new wells on this pipeline. Wells need to be instrumented
21 with flow meters, level transducers, and radios to provide for control
22 from Tolk. Decline of SPS’s current wellfield production puts Tolk at
23 risk for a water shortage.

24 • **Cunningham Unit 3 - Replace Compressor** - \$766,280 NM retail
25 (\$2,768,221 total company) This project is to replace Cunningham 3
26 rotating and stationary blades (diaphragms) and inlet guide vanes with
27 new parts. The turbine rotor will be shipped to a rotor shop to have
28 new blades installed, non-destructive testing inspections, and a low-
29 speed balance performed before returning to Cunningham.
30 Reassembly will include machine assembly, machine train alignment,
31 high speed balance, and performance testing. A thorough inspection
32 of the compressor inlet revealed a missing piece of metal from the inlet
33 expansion joint backer bar at the top left of the inlet plenum. Siemens
34 was brought in to borescope the entire machine. They discovered all

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 19 rotating and 19 stationary rows of compressor blades have
2 significant damage. The turbine and combustor section do not have
3 significant damage.

4 • **Plant X Unit 4 - Replace Hot Reheat Seamed Piping** - \$567,808
5 NM retail (\$2,051,234 NM total company) This project will replace
6 the hot reheat high-energy seamed piping on Plant X Unit 4. This will
7 require asbestos abatement of the line, the removal of all seamed pipe,
8 and installation of new seamless pipe including a full piping analysis
9 and possible replacement of hangers. The hot reheat line has been
10 verified to be seamed. This project is part of a corporate initiative to
11 replace high-energy seamed piping. An analysis done by Reliability
12 Services and Overhaul Management in 2015 concluded that all high-
13 energy seamed piping in the region should be replaced due to the
14 probability of failure. This type of failure could be catastrophic
15 resulting in significant property damage, outage time, and danger to
16 personnel.

17 • **Jones Unit 2 - Replace Seamed Hot Reheat Piping** - \$552,820 NM
18 retail (\$1,997,089 total company) This Project consists of replacing all
19 the hot reheat piping from the turbine to the boiler. This requires the
20 abatement of both lines, the removal of all seamed piping, and
21 installation of new seamless pipe with appropriate pipe hanger analysis
22 and possible hanger replacement. The reheat lines were originally
23 built with seamed pipe. This project is part of a corporate initiative to
24 replace high-energy seamed piping. An analysis done by Reliability
25 Services and Overhaul Management in 2015, concluded that all HE-
26 seamed piping in the region should be replaced due to the probability
27 of failure. This type of failure could be catastrophic resulting in
28 significant property damage, outage time, and danger to personnel.

29 • **Harrington Unit 3 - Replace Cooling Tower Hot Water Deck** -
30 \$500,289 NM retail (\$1,807,318 total company) This project is the
31 replacement of the current hot water deck on the Harrington Unit 3
32 cooling tower with a new deck consisting of hot water deck, nozzles,
33 cell partition dams, distribution valves catwalks, and appropriate
34 decking supports for the new deck. During the October 2015 cooling
35 tower outage inspection, it was noticed that the current deck is
36 becoming soft and unstable with several places where it has sagged,

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 and it does not distribute the water properly. There are multiple
2 broken boards that are causing unequal distribution of the water.

3 • **Harrington Unit 1 - Replace Foxboro FBMs** - \$448,303 NM retail
4 (\$1,619,516 total company) This project is to replace the Foxboro 100
5 series Field Bus Modules with 200 series Field Bus Modules. In
6 addition to the Field Bus Modules, all Foxcom smart transmitters will
7 be replaced with Hart Protocol smart transmitters, and new smart
8 positioners will be installed on boiler air dampers. A DCS Upgrade
9 committee composed of Technical Resources and Compliance,
10 Engineering and Construction, and Plant Engineers have developed a
11 fleet-wide DCS Lifecycle Management plan to replace the DCS
12 hardware and software. The committee is tracking the lifecycle of the
13 DCS software and hardware components throughout the fleet and
14 coordinating the upgrade schedule with the current plant outage
15 schedules. The schedule reflects the realistic occurrence of a major
16 failure that could create unit trips and extended down time.

17 • **Harrington Unit 1 - Replace Deaerator Heater Vessel** - \$282,276
18 NM retail (\$1,019,735 total company) This project will replace the
19 Heater Portion of the Deaerator. The Heater Vessel on Top of the
20 storage tank is a 48” diameter pressure vessel that mixes heater drain
21 water with extraction steam. The project would include Abatement,
22 removal of old vessel and piping attachments, new pressure vessel, and
23 new nozzles. The current Deaerator Heater has severe erosion on the
24 pressure vessel wall. This has required extensive pad welding during
25 outages. The vessel’s shell integrity is based on pad welds at this
26 point. The Deaerator Heater is also within the boiler building which
27 poses a safety risk for those inside.

28 • **Harrington Unit 2 - Mill A Major Overhaul** - \$252,315 NM retail
29 (\$911,498 total company) This project will rebuild the Unit 2A coal
30 mill. The project includes the following: replacing a set of three of
31 journal assemblies; replacing the rolls; rebuilding a set of three journal
32 doors; replacing all wear parts in the separator section; replacing the
33 mill exhauster fan with a Silver bullet fan design; replacing the floor
34 section bowl, vane wheel, feed pipe, classifier with cone and needle
35 bearing to bushing upgrade; replacing major components in the motor
36 and worm shaft assembly. This mill has been in service since 1978.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The age of the mill and failure rates on the mill components warrant a
2 mill overhaul.

- 3 • **Harrington Unit 3 - Replace Cooling Tower Fan Deck - \$248,730**
4 NM retail (\$898,548 total company) This project will remove and
5 replace the existing top deck sheeting and underlying structure on the
6 Harrington Unit 3 Cooling Tower with fiberglass deck materials. This
7 includes replacement of the fan deck, fan deck joists, and joist
8 supports with fiberglass-reinforced plastic material. During the 2017
9 cooling tower cursory inspection, it was noted that some of the fan
10 stacks were beginning to sag due to the underlying supports. If the
11 structure fails at this location, the fan stack(s) could come into contact
12 with the rotating fan assembly and result in the destruction of both.
13 Most of the boards that make up the deck are showing significant wear
14 and deterioration. The recent inspection report noted that 40-50% of
15 the boards need to be replaced in order to keep the structural integrity
16 of the deck. The boards are uneven, creating a tripping hazard for
17 personnel. A significant amount of the overlay pieces were missing
18 due to high winds as the underlying structure cannot hold the fasteners
19 in place.

20 2. *Environmental Compliance Capital Additions*

21 **Q. Please describe the types of projects included in the Environmental**
22 **Compliance category.**

23 A. The general description of the Environmental Compliance category is provided in
24 the previous subsection of this testimony and applies to the projects included for
25 the period of April 1, 2019 through August 31, 2019 identified as “Environmental
26 Compliance” on Attachment ML-3. The total planned investment in this
27 category is \$408,636 on a New Mexico retail basis during the period. The
28 projects described below account for 71% of the total dollar amount for the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 capital additions in this category. The remaining 29% of the projects are similar
2 in nature in that they repair or replace aging technology, which is essential to
3 ensuring efficient and reliable business operations, and are presented on
4 Attachment ML-3.

- 5 • **Tolk Unit 1 - Replace Baghouse Bags** - \$191,968 NM retail
6 (\$693,493 total company) This project is to remove and replace the
7 filter bags in 6 compartments and clean the baghouse compartments.
8 Tolk's filter bags have a useful life of 6 to 8 years and the bags in
9 these compartments have been in service for 8 years. Inspections
10 during the 2015 overhaul confirmed these compartments are showing
11 signs of deterioration and will be ready for replacement based on life
12 expectancy.

- 13 • **Harrington Unit 1 - Replace ESP Wires Phase 1 of 2** - \$97,118 NM
14 retail (\$350,842 total company) This is to replace all 4,736 discharge
15 wires in the west precipitator. Discharge wires in the Harrington 1
16 Precipitator have been in service for over 20 years and are starting to
17 fail due to wear and tear. During the last inspection of Precipitator in
18 2016, all wires were extremely brittle. Manufacturers recommend 20
19 years as the typical time between changing wires to prevent fatigue
20 failures due to wear and tear. These are long-weighted wires, and as a
21 result, tend to oscillate with air-flow, causing increased sparking and
22 wear. SPS has had unscheduled shut-downs previously to replace
23 failed wires that had failed as a result of over-sparking.

24 3. *New Generation Capital Additions*

25 **Q. Please describe the types of project included in the New Generation category.**

26 A. This category of investment contains the capital additions necessary for
27 constructing the Hale Wind Project and purchasing land for the operations and
28 maintenance building and substation for the Sagamore Wind Project. The total

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 planned investment in this category amounts to \$204,314,583 on a New Mexico
2 retail basis during the period. The projects described below account for 100% of
3 the dollars of the total capital additions in this category. In addition, further
4 description of the Hale Wind Project can be found in Section V. of this testimony.

5 • **Hale Wind Project – Other Production** - \$196,440,450 NM retail
6 (\$684,748,000 total company) This portion of the Hale Wind Project
7 contains the funding for the purchase of the wind turbines and all costs
8 associated with the installation/erection of these turbines.

9 • **Hale Wind Project – Transmission Serving Generation &**
10 **Substation** - \$7,807,698 NM retail (\$27,215,910 total company) This
11 portion of the Hale Wind Project is for the purchase and installation of
12 materials and equipment related to the 230- kV transmission line to
13 support the Hale Wind Project.

14 • **Sagamore Wind Project – Land Purchase** - \$66,435 NM retail
15 (\$240,000 total company) This project is for the purchase of land for
16 the Operation and Maintenance Building and Substation for the
17 Sagamore Wind Project.

18 **Q. Are the Energy Supply capital additions for the period presented in**
19 **Attachment ML-3 reasonable and necessary?**

20 **A.** Yes. As discussed in my testimony above, the Energy Supply capital additions
21 presented in Attachment ML-3 are reasonable and necessary to provide electric
22 service to SPS's customers and to maintain the reliability, operational, safety, and
23 environmental requirements of SPS's plants. The process for developing costs
24 and managing projects ensures that the expenditures are reasonable and necessary
25 and that the costs were prudently incurred.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **V. HALE WIND PROJECT CAPITAL COSTS**

2 **Q. Please describe the Hale generating facility.**

3 A. The Hale Wind Project is a 478 megawatt (“MW”) facility located in Hale
4 County, Texas. To develop the Hale Wind Project, SPS installed a combination
5 of Vestas model 2.0 MW V110 and V116 wind turbines. The output of Hale ties
6 into the SPP transmission system through a 230-kV transmission line.

7 **Q. When did Hale begin commercial operation?**

8 A. Hale began commercial operation in June 2019. A copy of the letter SPS sent to
9 SPP specifying the date Hale began commercial operation is provided as
10 Attachment ML-4.

11 **Q. What amount is SPS seeking to include in rate base for the Hale Wind
12 Project?**

13 A. The overall amount SPS is requesting to include in rate base is \$712,478,660
14 (total company).

15 **Q. Does SPS’s total planned investment for Hale come in below SPS’s estimated
16 construction costs at the time it was certificated?**

17 A. Yes. SPS expects final costs to come in well below its estimated costs for
18 construction for the Hale Wind Project. The estimated costs from Case No.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 17-00044-UT³ and the total planned investment for the Hale Wind Project are
2 shown in the following table:

3 **Table ML-3**

	Case No. 17-00044-UT Estimated Cost	Total Planned Investment
Excluding AFUDC	\$ 734,537,610	\$ 681,132,758
Including AFUDC	\$ 769,000,000	\$ 712,478,660

- 4 **Q. Does SPS expect to be under the cost cap that it agreed to as part of the**
5 **settlement resolving Case No. 17-00044-UT?**
- 6 A. Yes. SPS agreed to impose a cap on capital costs such that, for the initial Hale
7 rate case, the gross plant-in-service amount would not exceed \$1,675 per kilowatt
8 (“kW”) installed (total company), including the Allowance for Funds Used
9 During Construction (“AFUDC”), all SPP-assigned generation interconnection
10 costs, and all necessary new transmission and distribution equipment and
11 upgrades to existing transmission and distribution equipment. The Hale capital

³ *In the Matter of Southwestern Public Service Company’s Application Requesting: (1) Issuance of a Certificate of Public Convenience and Necessity Authorizing Construction and Operation of Wind Generation and Associated Facilities, and Related Ratemaking Principles Including an Allowance for Funds Used During Construction for the Wind Generation and Associated Facilities; and (2) Approval of a Purchased Power Agreement to Obtain Wind-Generated Energy, Case No. 17-00044-UT, Final Order Adopting Certification of Stipulation with Modification (Mar. 21, 2018).*

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 costs based on the total planned investment is \$1,491 per kW installed (total
2 company).

3 **Q. Please describe what is involved in building a wind generation project,
4 including the major construction components of the Hale Wind Project.**

5 A. Constructing a wind generation project, such as the Hale Wind Project, generally
6 involves the following components: construction of turbine access roads;
7 construction of turbine foundations; tower erection; trenching the collector
8 system; constructing the collector substation; constructing a high voltage
9 generation tie line; and constructing an O&M building.

10 **Q. What major contracts did SPS or its affiliates enter into associated with the
11 capital costs of the Hale Wind Projects?**

12 A. There are several major contracts associated with the capital costs of the Hale
13 Wind Project. Each of these contracts was introduced as part of Case No.
14 17-00044-UT.

15 1. Capital Services, LLC, an affiliate of Xcel Energy, (“Capital Services”)
16 entered into a Master Supply Agreement (“MSA”) with Vestas for model
17 2.0 MW V110 Vestas wind turbines. The MSA ensured that sufficient
18 turbines were purchased to comply with the safe harbor requirements
19 under the Omnibus Appropriations Act (“OAA”) for Production Tax
20 Credit (“PTC”) benefits.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 2. Under the scope of the MSA, SPS executed a Turbine Supply Agreement
2 ("TSA") with Vestas to purchase the additional turbines needed to
3 complete the development of the SPS Projects and deliver the turbines to
4 the Hale Wind Project site.
- 5 3. SPS entered into a Sale of Components Agreement with Capital Services
6 to purchase the wind turbines that were purchased to comply with the safe
7 harbor requirements under the OAA.
- 8 4. SPS entered into a Purchase and Sale Agreement ("PSA") to acquire the
9 wind development rights from NextEra for the Hale Wind Project. Under
10 the PSA, the developer was required to provide a site ready for SPS to
11 begin construction.
- 12 5. SPS entered into fixed price Balance of Plant ("BOP") construction
13 contract for the installation of the wind turbines and construction of the
14 site's infrastructure.

15 **Q. Please describe the MSA.**

16 A. On September 15, 2016, Capital Services entered into the fixed price MSA with
17 Vestas, a leading international wind turbine supplier with manufacturing
18 operations in Colorado. The MSA governs the purchase of turbines, the delivery,
19 inspection, storage, and maintenance of the turbines, as well as the timelines for
20 completion of the turbines.

21 The MSA was entered into with Vestas after Xcel Energy obtained pricing
22 from both Vestas and other major international wind turbine manufacturers, as
23 part of an analysis for potential wind projects for the Xcel Energy Operating
24 Companies. Xcel Energy determined that the Vestas proposal offered more

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 favorable pricing and conditions, and the MSA is the result of comprehensive
2 negotiations between Xcel Energy and Vestas.

3 **Q. Why did Capital Services enter into the MSA with Vestas?**

4 A. To receive 100% of the PTC benefits, SPS or its affiliates must have made
5 expenditures of 5% of the total cost of the project by December 31, 2016. At that
6 time, SPS had not completed negotiations for the PSA and had not received
7 regulatory approvals for the project, and therefore did not know how many
8 turbines it would need to purchase. Because SPS was not in a position to
9 purchase the turbines and other assets from Vestas in 2016, Capital Services made
10 those purchases for the benefit of SPS and its customers.

11 **Q. Please describe the TSA in more detail.**

12 A. SPS entered into the TSA with Vestas on June 15, 2018. The TSA enabled the
13 purchase of the additional turbines and related equipment and delivery needed to
14 complete the Hale Wind Project. The TSA also: (1) incorporates typical turbine
15 performance terms; (2) requires timely manufacturing production, delivery, and
16 commissioning; (3) includes standard industry warranties and a supplier parent
17 guaranty; and (4) incorporates liquidated damages clauses for failure to achieve
18 the contractual milestones.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. The Sale of Components Agreement with Capital Services is an affiliate**
2 **agreement. Has that agreement already been approved by the Commission?**

3 A. Yes. My understanding is that the Commission found in NMPRC Case No.
4 17-00044-UT that the Sale of Components Agreement between SPS and Capital
5 Services was a reasonable Class I Transaction under § 62-6-19(B)(1) NMSA and
6 Rule 17.6.450 NMAC. However, I understand that the Commission has the
7 ability to review the costs SPS paid Capital Services for the wind turbines and
8 determine whether the specific costs SPS is paying for each of the cost
9 components is reasonable.

10 **Q. What types of costs did SPS incur under the Capital Services Agreement?**

11 A. SPS paid a “Confirmation Price” and a carrying charge. The “Confirmation
12 Price” consists of:

- 13 1. the price paid by Capital Services to Vestas for the turbines; and
- 14 2. the estimated “Incremental Costs,” which included:
 - 15 a. storage and maintenance fees for the period from the date Capital
16 Services took delivery of the turbines to the date on which it delivered
17 the turbines to SPS; and
 - 18 b. the cost of insuring the turbines for the period from the date Capital
19 Services took delivery of the turbines to the date on which it delivered
20 the turbines to SPS.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The carrying charge was calculated by applying SPS’s AFUDC rate to the
2 purchase price of the turbines for each month or partial month in the “Carrying
3 Period.” The Carrying Period is defined as the period from the date on which
4 Capital Services purchased the turbines until the date on which title to the turbines
5 passes from Capital Services to SPS.⁴

6 **Q. Were the costs that SPS paid to Capital Services reasonable?**

7 A. Yes. SPS paid a total of \$46,119,182 to Capital Services, broken down as
8 follows:

9 **Table ML-4**

Description	Amount (total company)
Turbines and Towers	\$ 40,592,700
Storage Fees	\$ 874,973
Insurance	\$ 15,528
Carrying Costs	\$ 4,635,981
Total	\$ 46,119,182

10 Those amounts are reasonable because:

- 11 • Capital Services sold the turbines and towers to SPS for the same amount
12 that Capital Services paid Vestas for those turbines and towers. The
13 amount paid by Capital Services to Vestas for the assets was a negotiated
14 price agreed to by independent parties in an arm’s length transaction.

⁴ Under the Sale of Components Agreement, AFUDC is prorated for partial months.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 • Capital Services charged only the out-of-pocket costs that it incurred for
2 storage of the turbines and insurance on those turbines. It is reasonable for
3 SPS to reimburse Capital Services for those out-of-pocket costs.
- 4 • Capital Services advanced the money to purchase turbines on behalf of
5 SPS and its customers, and should be compensated for having expended
6 funds to make a purchase that enables SPS and its customers to take
7 advantage of 100% of the PTCs available from the Hale Wind Project.
8 The AFUDC rate is a reasonable basis for the Carrying Cost because it
9 reasonably approximates SPS's own carrying costs for purchasing
10 components to be installed at generating facilities.

11 **Q. Please describe the PSA in more detail.**

12 A. On March 6, 2017, SPS entered into a PSA with NextEra for the acquisition of the
13 Hale Wind Project site. Under the PSA, NextEra was responsible for making the
14 site “construction ready,” while SPS was responsible for construction, including
15 roads and procurement of turbines or other equipment under the MSA or future
16 TSAs. The purchase price under the PSA was a fixed amount that was not subject
17 to price increases. A copy of the PSA is provided as Attachment ML-5.

18 **Q. Please describe the BOP.**

19 A. On October 13, 2017, SPS entered into a fixed-price engineering, procurement,
20 and construction agreement for the installation of the wind turbines and
21 construction of the site's infrastructure. The BOP contract bids were solicited
22 based on the layout and size of the Hale Wind Project. The scope of work for the
23 BOP contractor includes five different areas: civil, substation, generation tie line,

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 collection system, and turbine erection. Civil work consisted of constructing the
2 new roads to each turbine location, upgrading existing roads (both private and
3 state- or county-owned), and maintaining the roads throughout the construction
4 process. Civil work also included the construction of wind turbine foundations.
5 Substation work included substation design and construction. Collection system
6 work included the underground power and control wiring from each turbine to the
7 substation. The generation tie line is the high-voltage transmission line from the
8 collector substation to the point of interconnection to the Transmission System.
9 Tower erection included the setting of the tower sections, installation of the
10 nacelle, blades, and hub, and the installation of the auxiliary equipment associated
11 with the turbine.

12 **Q. What was the process used for selecting the BOP contractor?**

13 A. The BOP contractor selection process for the Hale Wind Project followed Xcel
14 Energy's corporate policy for the procurement of services of this type. A Request
15 for Proposal was issued to three nationally recognized wind farm construction
16 firms that were known to have BOP engineering and constructing experience for
17 projects similar to the size and complexity to the Hale Wind Project.

18 The RFP was originally issued by SPS's affiliate, NSP-M in February
19 2017 for BOP engineering and construction efforts supporting four wind projects

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 located in Minnesota and North Dakota. An addendum to the RFP was
2 subsequently issued to bidders in July 2017 to also include the SPS Hale and
3 Sagamore Wind Projects in order to leverage economies of scale, provide for
4 construction efficiencies between the winter and summer construction seasons,
5 and reduce BOP costs.

6 Considering engineering design was approximately 30% complete and not
7 fully defined at the time that the bids were sought during the RFP process, pricing
8 from bidders was obtained based on open book pricing with firm unit rates with
9 anticipated quantities for items such as collector system, roads, and foundation.
10 Bid evaluation considerations included safety, pricing, technical experience,
11 execution plan, and commercial criteria such as warranties, project schedule
12 adherence, performance guarantees, financial strength of the bidders, payment
13 schedules, and insurance.

14 The commercial agreement was designed to “close” with pricing
15 becoming firm upon the completion of design, final quantities known, and issue
16 for construction (“IFC”) drawings completed. Commercial risks were mitigated
17 during the open book agreement process through the issuance to the contractor of
18 periodic limited notices to proceed; the contractor was not fully released to

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 perform all BOP work until the all quantities were known, IFC drawings issued,
2 and final pricing was established to the satisfaction of SPS.

3 **Q. Please generally explain how the construction process was managed.**

4 A. For the Hale Wind Project, XES and SPS personnel assumed overall project
5 management responsibility. In addition to internal personnel, both Vestas and the
6 selected BOP contractor, Wanzek Construction, had project management and
7 engineering personnel on site. Resources (both personnel and equipment) were
8 managed by the entire Hale Wind Project team to advance the project. The use of
9 night crews were also used to take advantage of low wind times for tower
10 erection.

11 **Q. Through project completion, was construction performed and executed as
12 planned?**

13 A. Yes. SPS utilized schedule flexibility and personnel flexibility to have productive
14 work performed to accommodate poor weather days throughout the project. With
15 this flexibility, SPS was able to avoid significant change orders and acceleration
16 costs. In addition, SPS authorized the BOP contractor to lock in materials needed
17 for construction as needed, which allowed for the risk associated with these costs
18 to be mitigated.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **VI. CHANGES IN USEFUL LIVES OF TOLK**
2 **GENERATING UNITS**

3 **Q. What changes is SPS proposing to the service lives of the Tolk units?**

4 A. Based on the continued decline of the Ogallala Aquifer, which will soon make
5 Tolk uneconomic to operate, SPS is proposing to change the service lives for both
6 of the Tolk Units as generation assets to end-of-year 2032. In order to conserve
7 the economically recoverable water from the aquifer, SPS also proposes to reduce
8 operations at Tolk. More specifically, SPS proposes to economically dispatch
9 Tolk during the summer months, and reduce the output from Tolk during the off-
10 peak months through end-of-year 2020. Beginning in 2021, SPS proposes to
11 economically dispatch both Tolk units during the summer months and take both
12 units offline during the off-peak months until water becomes uneconomic for the
13 continued operation of the plant. After that point, Tolk would cease to be used for
14 generating energy. Please refer to the testimony of Ms. Weeks for more detail
15 regarding the operational scenarios that SPS considered and ultimately proposes
16 for resource planning purposes.

17 To support voltage stability for the transmission system during periods
18 when Tolk is not being used to generate energy, SPS will install synchronous
19 condensers. The Tolk units would be used for voltage stability purposes through

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 2055. When the units operate in synchronous condenser mode, minimal ground
2 water will be used for cooling. SPS has identified the existing assets at Tolk that
3 will remain to support operation of the synchronous condensers, and SPS is
4 proposing a depreciable life for those assets ending in 2055, which are reflected in
5 SPS's depreciation study, presented by Mr. Watson.

6 **Q. Is SPS formally applying to retire the Tolk Units as part of this proceeding?**

7 A. Yes. As discussed in the testimony of William A. Grant, SPS is requesting that
8 the Commission authorize SPS to retire and abandon the use of the Tolk for
9 generating purposes in 2032.

10 **Q. Are you the only SPS witness supporting SPS's request to change the service**
11 **lives and to retire Tolk in 2032?**

12 A. No. I address the background of Tolk and explain the considerations supporting
13 SPS's request to change the useful lives of the units. Mr. Grant and Ms. Weeks
14 also support SPS's request to change the service lives of Tolk.

15 **A. Tolk Generating Station**

16 **Q. Please briefly describe SPS's Tolk.**

17 A. Tolk consists of two coal-powered steam turbine units, located in Lamb County,
18 Texas. Tolk Unit 1 has a net capacity of 540 MW and Tolk Unit 2 has a net
19 capacity of 542 MW, for a total net capacity of 1,082 MW.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. When did the Tolk Units begin commercial operation?**

2 A. Tolk Unit 1 began commercial operation in 1982. Tolk Unit 2 began commercial
3 operation in 1985.

4 **Q. What are the current Commission-approved estimated useful lives for the**
5 **Tolk units?**

6 A. In New Mexico, the current Commission-approved estimated useful lives for the
7 Tolk units are 2042 for Tolk Unit 1 and 2045 for Tolk Unit 2, which represent
8 service lives of 60 years.

9 **Q. Have those dates always been the estimated useful lives for the Tolk units?**

10 A. No. The Tolk Units originally had 35-year service lives. If the Commission
11 changes the retirement dates to 2032, Tolk Unit 1 will have been in service for 50
12 years, and Tolk Unit 2 will have been in service for 47 years when retired.

13 **B. Tolk Water Limitations**

14 **Q. What is the primary driver for SPS's proposed changes in the useful lives for**
15 **the Tolk generating units in this case?**

16 A. Over time, environmental compliance and water limitations have been the major
17 drivers for modifying the useful lives of the Tolk units. Over the last few years,
18 however, water limitations have emerged as the primary driver of SPS's need to
19 revise the estimated useful lives of the Tolk units.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. Please generally describe the water limitations affecting Tolk's remaining**
2 **useful lives.**

3 A. Tolk relies exclusively on groundwater from the Ogallala Aquifer for generation
4 cooling, and the Ogallala Aquifer is in an irreversible decline. The Ogallala
5 aquifer is a large, connected body of groundwater that underlies most of the
6 central United States. The part of the aquifer underlying the Texas Panhandle is
7 thin relative to other areas of the aquifer, and it is being depleted to support
8 overlying agricultural, municipal, and industrial uses. In addition, since 2010, the
9 depletion of the aquifer has been accelerated by significant regional drought.
10 Because groundwater production exceeds the aquifer recharge rate, the aquifer
11 has declined by over 300 feet in some areas of the Texas panhandle. These
12 factors are causing the saturated thickness of the aquifer to decline to a point
13 where the water will no longer be economically recoverable.

14 **Q. At what point does water become uneconomic to recover?**

15 A. Water below 40 feet of saturated thickness is generally recognized as the level at
16 which it becomes uneconomic to recover water using high-capacity wells.

17 **Q. What is the saturated thickness of the Tolk wellfield?**

18 A. In the late 1940s, before the start of irrigated agriculture in the area, there was
19 approximately 170 feet of economically recoverable saturated thickness in the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Tolk wellfield. By 2018, the economically recoverable saturated thickness had
2 been reduced to approximately 10 feet. In other words, approximately 6% of the
3 economically recoverable water remains in the aquifer today.

4 **Q. Please describe how the water limitations will affect Tolk's operations.**

5 A. The aquifer decline creates two main issues for the Tolk units – peak wellfield
6 production declines and diminished aquifer longevity. The declining saturated
7 thickness of the aquifer reduces the aggregate wellfield productivity, diminishing
8 the ability for the aquifer to supply sufficient water to support peak generation
9 demands. The rate of flow into a well is primarily affected by the aquifer
10 transmissivity (i.e., the rate of water flow to the wells given the makeup and
11 density of the sand and gravel in the water bearing formation, and the aquifer
12 saturated thickness) and well screen length in contact with the saturated thickness.
13 As the saturated thickness level declines, each well becomes less productive,
14 making it difficult to support the peak water demand of the plant for generation.
15 As a result, it becomes difficult to maintain peak electric generation.

16 Peak wellfield productivity challenges are occurring in the wellfield today.
17 Since 2007, the Tolk wellfield acreage has increased and the number of wells on
18 the wellfield has grown by over 50%, while peak water production capacity has

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 declined by 11%. New wells are drilled annually to maintain wellfield production
2 rates to support peak generation demands.

3 When the saturated thickness level of the aquifer declines below 40 feet,
4 aquifer productivity collapses causing rapid declines in wellfield production.
5 High-capacity well production is no longer supported even though there is still
6 water in the aquifer formation. Losing the ability to support high-capacity wells
7 means that multiple new lower-capacity wells are required to offset lost
8 productivity from each high-capacity well, increasing the cost and complexity of
9 wellfield operations. For example, a 200 gallon per minute well may need to be
10 replaced by four 50 gallon per minute wells, just to maintain equivalent wellfield
11 production.

12 Consequently, significant investment in drilling a sufficient number of
13 smaller capacity replacement wells for each existing higher capacity well would
14 be required to maintain the necessary volume of water required for Tolk's current
15 generation cooling needs. Below this level, it becomes economically infeasible to
16 provide adequate water supply to operate the Tolk units due to the number of
17 additional wells required and the associated O&M expense. Therefore, this 40-
18 foot threshold is considered the limit of the economically recoverable water in the
19 aquifer.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

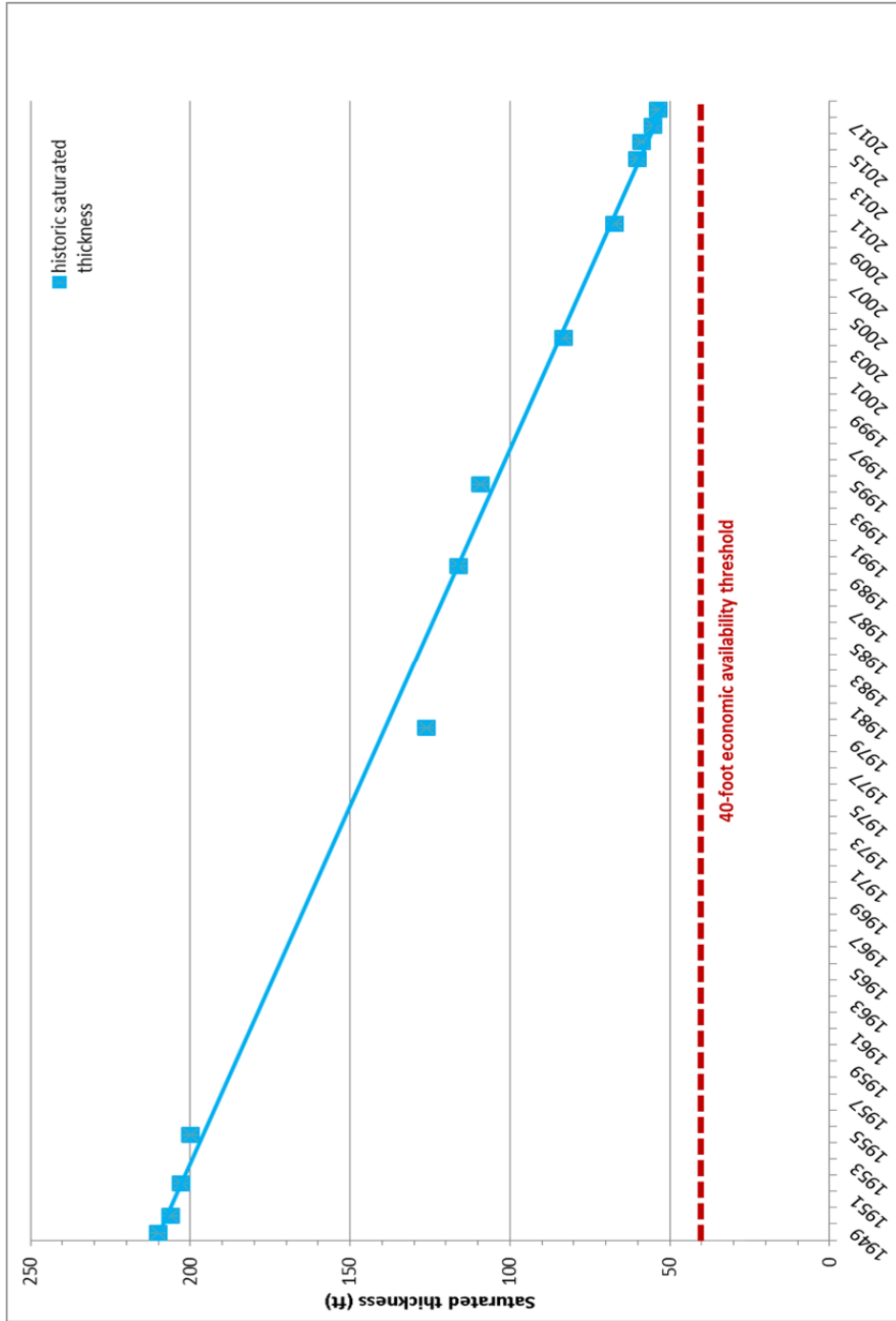
1 **Q. Is the Ogallala Aquifer approaching the 40-foot saturated thickness**
2 **threshold you describe above?**

3 A. Yes. As I noted earlier, in 2018, the economically recoverable saturated thickness
4 had been reduced to 10 feet, as documented in the annual saturated thickness
5 survey prepared by the High Plains Water District (“HPWD”). SPS has spent
6 considerable time and effort in monitoring and analyzing the Ogallala Aquifer and
7 how it behaves over time. Figure ML-1 (next page) shows the historical, actual
8 decline in the aquifer’s saturated thickness, dating back to widespread
9 development of irrigated agriculture in the area.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1

Figure ML-1: Saturated Thickness History of Tolk Wellfield Through 2018



Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Despite the substantial growth in the number of wells to supply Tolk
2 station, due to the overall decline of the aquifer, wellfield productivity will not be
3 able to keep pace with Tolk's needs in the future. The number of wells will
4 continue to dramatically increase into the future and productivity will continue to
5 decline until plant operations can no longer be maintained.

6 Absent operational changes at Tolk, SPS's water modeling shows that the
7 economic depletion range of the aquifer (expressed in years of service of Tolk)
8 would be 2024 – 2026. I describe SPS's modeling in more detail in Subsection C
9 below.

10 **Q. What evidence does SPS have to demonstrate the aquifer decline?**

11 A. Data from groundwater districts, the federal government, and SPS and its
12 groundwater consultant document the aquifer decline on scales ranging from local
13 to an aquifer-wide basis. More specifically, SPS has data from the following
14 sources, which all document that the aquifer water levels are declining:

- 15 • 3D modeling prepared by the HPWD in 2011 and updated in 2013;
- 16 • public data from HPWD monitoring the Ogallala aquifer static water
17 elevation on an annual, county-by-by basis;
- 18 • the United States Geological Survey;
- 19 • semi-annual wellfield productivity tests beginning in 2016; and

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

- 1 • groundwater modeling results prepared by WSP since 2007, including
2 studies completed in 2016, 2017, and 2018.⁵

3 **Q. Please explain what the 3-D modeling prepared for the HPWD in 2011**
4 **demonstrates with regard to the water volume in the Ogallala Aquifer.**

5 A. In 2011, Daniel B. Stephens & Associates created a 3-D hydrostratigraphic
6 model and conducted a volumetric analysis of the Ogallala Aquifer within a five-
7 county study area which included Bailey, Castro, Deaf Smith, Parmer, and Lamb
8 Counties, for HPWD, in cooperation with the City of Lubbock, Deaf Smith
9 County Electric Cooperative, Lamb County Electric Cooperative, Golden Spread
10 Electric Cooperative, Inc., and Xcel Energy.

11 The 2011 project included evaluating the stratigraphy and structure of the
12 Ogallala Aquifer in the study area by using data obtained from high-graded
13 existing driller's reports. A total of 2,753 wells were used to help delineate the
14 subsurface of the geology in the study area. The results of the 2011 modeling
15 effort estimated water volume in storage in the Tolk wellfield (shown as "Xcel
16 Energy" on Table ML-5) had decreased from 1.4 million acre-feet prior to 1950 to
17 0.52 million acre-feet in 2010.

⁵ In 2017 WSP acquired LBG-Guyton Associates, the entity with which SPS previously had consulted on groundwater modeling at Tolk. For ease of reference, I will refer to both of those entities as WSP throughout my testimony.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Table ML-5: Estimated Water in Storage for Individual Stakeholders**

Year	Estimated Water in Storage (million acre-feet)				
	LCEC	DSEC	BCWF	Xcel Energy	5-County Area
1950	9.8	59.5	2.5	1.4	101
1960	8.5	51.2	2.25	1.3	88.6
1970	7.4	41.5	2.2	1.2	74.3
1980	6.5	34.7	2.0	1.1	63.4
1990	5.9	31.0	1.9	1.0	56.9
2000	4.8	26.2	1.8	0.8	47.5
2010	3.6	22.4	1.64	0.52	39.2

2 It is important to note that the water volumes provided in the table
3 includes the total amount of water in the aquifer – including water that is stored
4 below 40-feet and which is uneconomic to recover. Thus, the amount of
5 economically recoverable water is less than what is shown in the table. As the
6 table shows, there is a clear trend of declining water volume in the aquifer for all
7 study participants, and the decline for Xcel Energy’s area is not unique.

8 **Q. What were the results of the 2013 update to the 2011 study?**

9 A. In the 2013 update, water level surfaces were created for the years including
10 2011, 2012, and 2013. The 2013 update estimated that water in storage in the
11 five-county area had further decreased from 39.2 million acre-feet to
12 approximately 36.8 million acre-feet in 2013. The decrease from 1950 through
13 2013 represents a more than 60% reduction in total aquifer volume. However, the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 economically recoverable portion of that total volume would be lower than
2 reported in these results.

3 **Q. What does the public data from HPWD monitoring the Ogallala aquifer**
4 **static water elevation on an annual, county-by-county basis demonstrate?**

5 A. SPS tracks the HPWD data for Lamb County, the county in which Tolk is located.
6 That data show that, on average in Lamb County, the aquifer has declined 15.25
7 feet between 2007 and 2017. It also shows that, in early 2019, the aquifer had an
8 estimated, average saturated thickness of just 50 feet for Lamb County. SPS uses
9 the HPWD data to generally validate the results of modeling completed internally
10 and by external consultants.

11 **Q. What does the United States Geological Survey demonstrate about the water**
12 **levels in the Ogallala Aquifer?**

13 A. The United States Geological Survey documents significant groundwater declines
14 throughout the Texas Panhandle, and generally corroborates the data collected by
15 HPWD, though not at the level of granularity of the HPWD data.

16 **Q. Does SPS have measures of individual well production and aquifer**
17 **characteristics?**

18 A. Yes. SPS's groundwater consultant, WSP, measures well production and aquifer
19 characteristics for a representative selection of wells on an annual basis. These

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 measurements are used as a quality control and to calibrate WSP's groundwater
2 model.

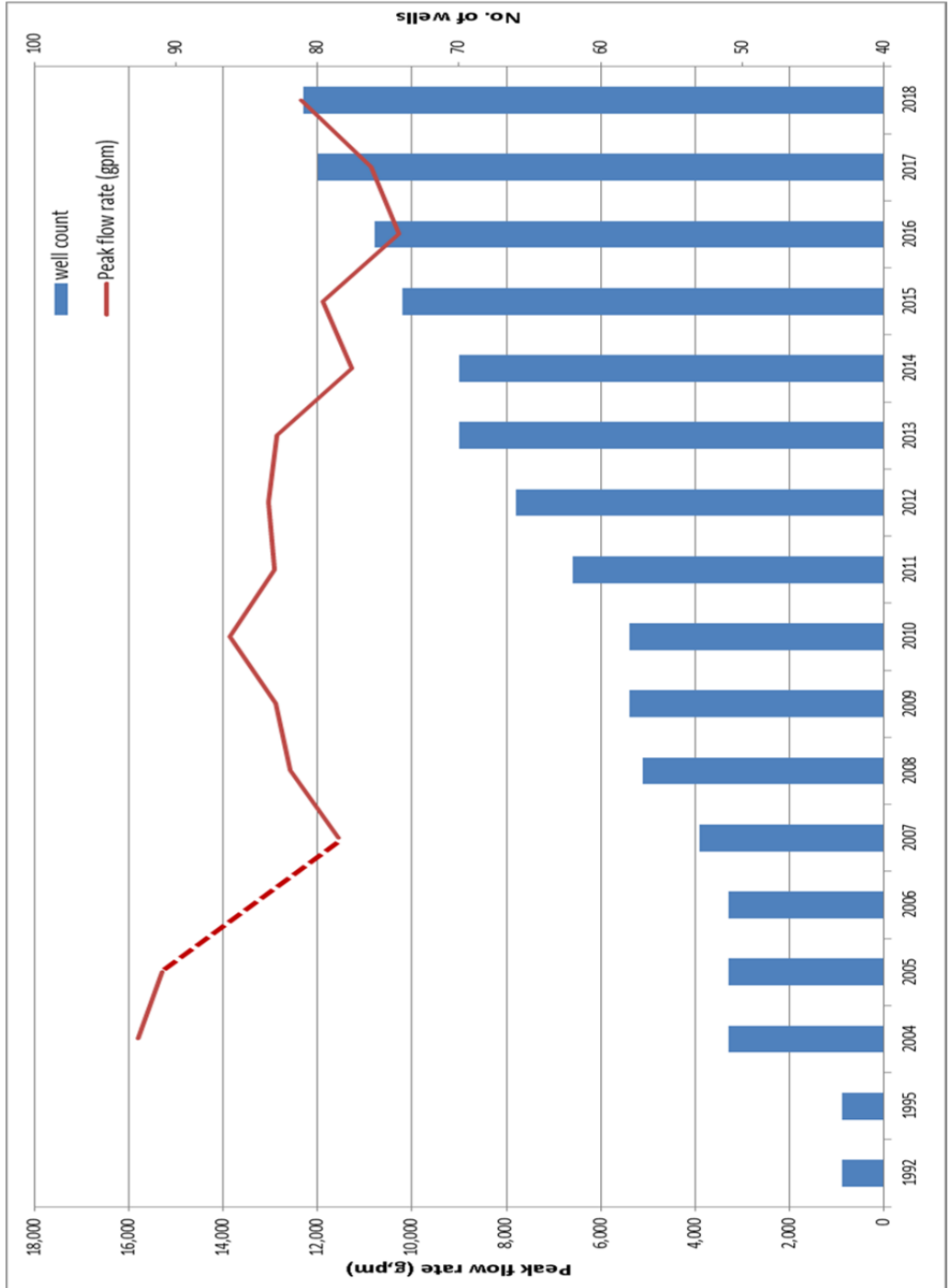
3 **Q. Earlier you mentioned that Tolk Station has undergone semi-annual wellfield**
4 **productivity tests. Will you please explain what those are and their results?**

5 A. Beginning in 2016, Tolk Station has undergone semi-annual wellfield
6 productivity tests to monitor instantaneous total wellfield productivity and to
7 compare to previous results. Wellfield productivity assessments since 1992 show
8 a decline in overall wellfield productivity along with a dramatic expansion in
9 wellfield size (Figure ML-2). Results since 2016 show that SPS has been
10 maintaining minimum wellfield productivity though the addition of new wells.
11 The testing confirms that it has become increasingly critical to add additional
12 wells to the wellfield to offset the annual productivity loss and maintain peak
13 flows to support generation at the Tolk units.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1

Figure ML-2: Tolk Wellfield Productivity Decline since 1992



Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. Please elaborate on productivity loss of the Tolk wellfield.**

2 A. At the time Tolk was built on the wellfield, the average flow was approximately
3 700 gallons per minute (“gpm”) per well. Today a new well’s productivity is
4 approximately 200 gpm. This fact demonstrates the peak production challenge
5 discussed earlier, and is a phenomenon that SPS has observed first-hand in the
6 Tolk wellfield. It is not speculation. As the saturated thickness of the well
7 declines toward 40 feet, well productivity will likely be in the 50- to 80 gpm
8 range. In fact, many of the original wells in or near the wellfield are no longer
9 producing, and some of the remaining wells are producing well under 100 gpm.

10 The overall Tolk wellfield averages just over 50 feet of saturated thickness
11 over the existing 50,000 acre wellfield, ranging from 25-30 feet in the western
12 portion of the wellfield to approximately 70 feet in the eastern portion. This is a
13 70-80% drop in the overall saturated thickness (i.e., including thickness below 40
14 feet, which is not economically recoverable) from predevelopment thickness.
15 Only 5-6% of the recoverable saturated thickness remains.

16 As the hydraulic pressure drops from the decline in saturated thickness,
17 the water flow into the wells decreases. Therefore, the production from each well
18 drops accordingly. As shown by Figure ML-2 above, although SPS has increased

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 the well count by approximately 207% since 1992, the total wellfield production
2 has declined by over 25%. Therefore, SPS continues to add new wells nearly
3 every year to maintain the water flows necessary to operate the Tolk units. This
4 effort is becoming increasingly expensive with diminishing returns and is not
5 sustainable long-term.

6 **Q. Earlier you mentioned that SPS uses the services of WSP, a third-party**
7 **groundwater consultant. Who is WSP and how long has SPS been consulting**
8 **with them?**

9 A. WSP is a globally recognized professional services firm with expertise in
10 sustainability and water issues. The WSP consultants with whom SPS has
11 worked are experts in groundwater modeling, particularly in the region in which
12 Tolk is located.

13 SPS has used the services of WSP to model the aquifer decline, and
14 estimated future performance of the wellfield since 2007. Initially, groundwater
15 modeling was conducted every few years and was primarily focused on the
16 overall water stored in the Tolk wellfield, under the assumption that neighboring
17 activities (e.g., agricultural and municipal use of water from the aquifer) could be
18 safely ignored, given the wellfield's large size. Modeling then became more

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 frequent because SPS was considering a number of options for Tolk and wanted
2 to use the most recent and best available information to make those decisions. In
3 addition, SPS realized that, in fact, surrounding agricultural and municipal use of
4 the aquifer was having an effect, so SPS changed the model to encompass a larger
5 area around the plant to be able to better gauge that impact. Further, the model
6 coding continued to be improved by the USGS such that more accurate results
7 could be computed in later model generations. Most recently, SPS has completed
8 groundwater studies in 2016, 2017, and 2018 using the same general model with
9 some updated inputs. The 2016 WSP groundwater model was peer-reviewed by
10 another local hydrogeology consultant, DBS&A, who found that the analysis
11 methodology used by WSP yielded reasonable results.

12 **Q Please describe generally the methodology used by WSP.**

13 A. WSP conducted groundwater modeling using MODFLOW, the industry standard
14 groundwater modeling software. It is a finite-difference model developed by the
15 U.S. Geological Survey. The WSP model uses the same base information (i.e.,
16 base of the aquifer, values for various aquifer parameters, and monitoring well
17 calibration observations) as the regional groundwater planning models prepared
18 by the Texas Water Development Board (“TWDB”) and has been revised as the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 data underlying the regional models have been updated. In addition, the model
2 calibration uses local data collected from the Tolk wellfield (water level
3 measurements and pumping estimates) to improve the model calibration on and
4 near the wellfield.

5 One of the most significant variables in the WSP model relates to the
6 amount of agricultural water use in the model domain outside of the SPS
7 wellfield, which drives overall water usage in the area. The values used in the
8 model are based on estimates used by TWDB in other regional planning models.
9 Agricultural water use in the model domain is not metered, per HPWD rules, so
10 approximations of agricultural water use represent the best-available estimate.
11 Estimated water use in recent years is similar to the long-term target (but
12 unmeasured) 18-inch per acre per year water production rate allowed for
13 groundwater users in the HPWD. The model is calibrated annually based on real
14 well observations, so this assumption is verified annually.

15 **Q. Please describe the 2018 study and its conclusions.**

16 A. The 2018 WSP report further confirms the overall decline of the Ogallala Aquifer.
17 It also projects how the aquifer would respond to two different Tolk operational
18 scenarios: a “typical” demand scenario and an “optimized” demand scenario.

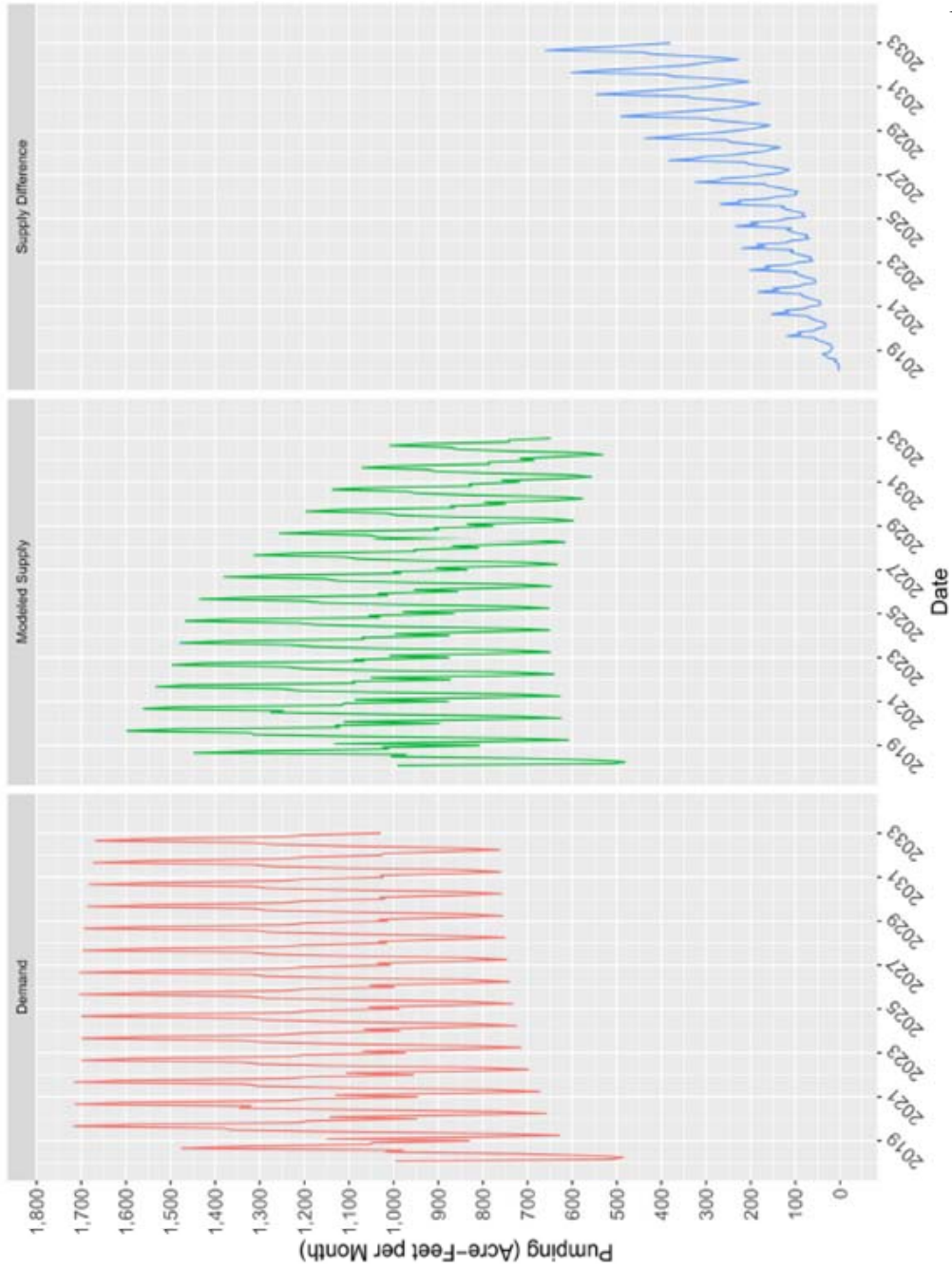
Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The results from the predictive runs indicate that SPS will likely have challenges
2 meeting the average annual groundwater demands throughout both scenarios, with
3 the challenges accelerating in the year 2024. The 2018 report further concludes
4 that meeting peak demands in the summer will also likely be a challenge for the
5 wellfields starting in 2019. However, Tolk added 8 new wells between 2018 and
6 2019, so those wells will help offset the predicted production deficits.

7 Figure 3-2 from the 2018 report (reproduced below) shows the difference
8 between the required production to support traditional generation demands and
9 modeled wellfield production based on the groundwater model results. The blue
10 line in the referenced chart shows that the deficit between required and actual
11 wellfield production will increase exponentially between 2019 and 2024,
12 demonstrating once again that Tolk will be unable to operate in the years after this
13 period under traditional operations.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

Figure 3-2 from 2018 WSP Report: Typical Demand Run



1

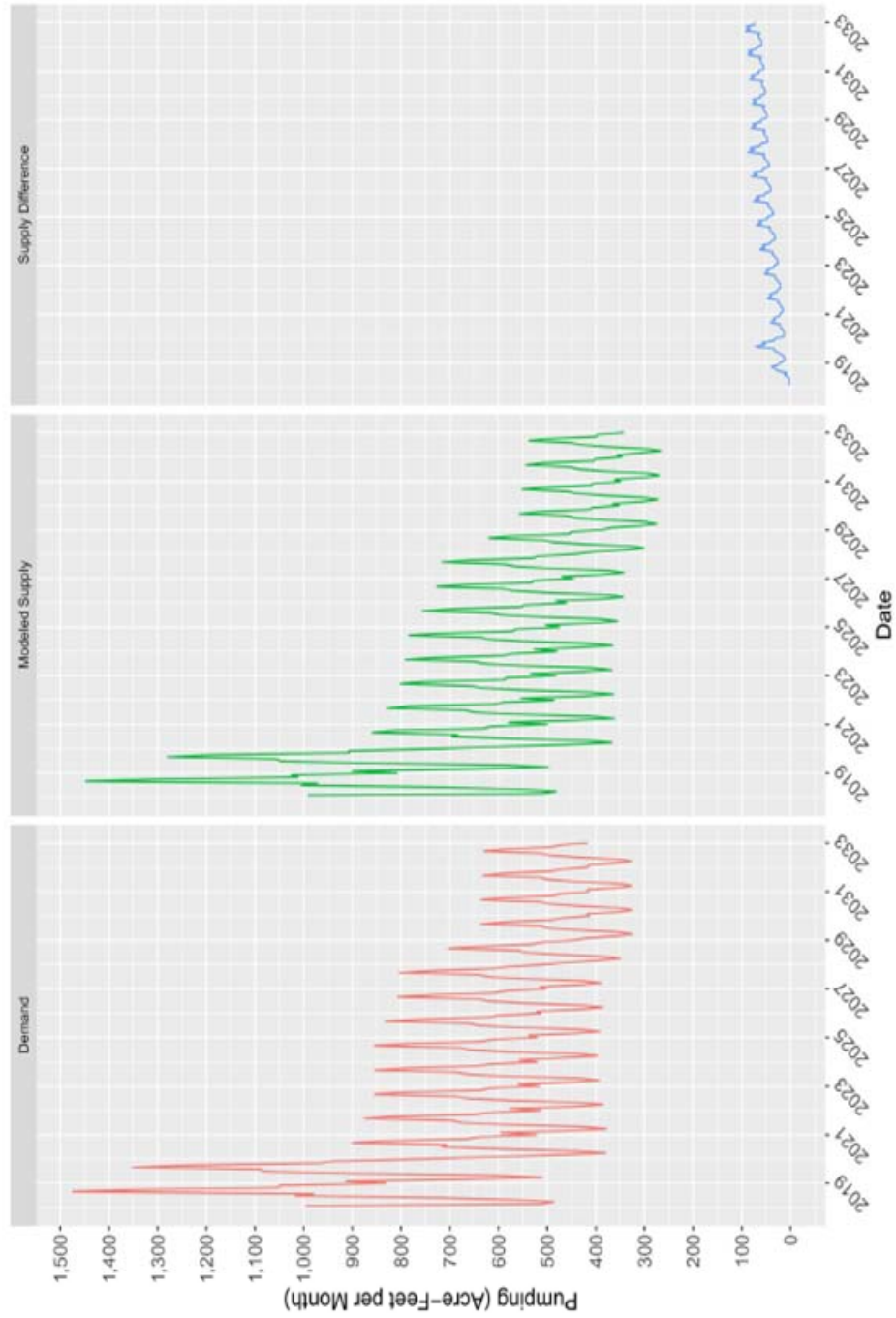
Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The 2018 WSP report also modeled the impact of optimized operations on
2 the wellfield and demonstrated that this is a viable approach to maintaining Tolk
3 Station's ability to generate until 2030 – 2032, which is the modeled economic
4 depletion range. Figure 3-1 from the report (reproduced below) shows the
5 difference between the required production to support generation and the modeled
6 wellfield production. The blue line in the referenced chart shows that the deficit
7 between the required and modeled results is sufficient to cause plant derating even
8 during the reduced operation period.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1

Figure 3-1 from 2018 WSP Report: Optimized Demand Run



Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 The 2018 groundwater study results helped to determine SPS's overall strategy
2 for the operation of the Tolk generating units. The results confirm that
3 insufficient water and wellfield capacity will remain to support Tolk operations
4 beyond 2025 under economic dispatch. As a result, SPS has determined that
5 reducing operations at Tolk in order to extend Tolk's life and maintain its
6 capacity value on the system until 2031, and to install synchronous condensers to
7 stabilize voltage on the transmission system during periods that Tolk is not
8 generating is reasonable and prudent. The 2018 groundwater study results also
9 confirm that, with reasonable mitigation efforts, sufficient water should be able to
10 be produced to support SPS's proposed future operations.

11 **C. SPS's Water Modeling of Tolk Retirement Scenarios**

12 **Q. Has SPS modeled how alternative Tolk generation scenarios would affect**
13 **water availability in the Tolk wellfield?**

14 A. Yes. SPS developed a spreadsheet-model to evaluate Tolk long-term water
15 supply under various operating scenarios. The model allows for variation of key
16 input variables to produce an estimate of the longevity of the Tolk wellfield. The
17 model has been updated numerous times as new data becomes available or
18 assumptions are improved. The model produces results for various future

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 operations scenarios and its output enables follow-on modeling of capital costs
2 and evaluation of potential cost impacts on SPS customers.

3 **Q. What are some of the key variables used in SPS's water modeling?**

4 A. There are several key variables that are utilized in the model. The variables can
5 be modified as needed to assess the impact of potential future plant operations on
6 wellfield longevity. Some of the variables are:

- 7 • generating unit capacity factors and monthly/seasonal variability;
- 8 • auxiliary water demand;
- 9 • available reservoir storage;
- 10 • wellfield capacity, outage rate, rate of productivity decline, and
- 11 starting capacity of new wells;
- 12 • water demand for potential environmental controls;
- 13 • variables to account for other variation in water use by each unit; and
- 14 • estimate of starting recoverable groundwater volume (derived from
- 15 MODFLOW modeling).

16 **Q. How are the results of SPS's water modeling used to estimate retirement**
17 **dates for Tolk?**

18 A. SPS's water model results yield a "water depletion window." The water depletion
19 window is the range of years in which SPS predicts the water level will become
20 insufficient to economically provide for Tolk's generation cooling needs. The

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 start of the depletion window begins when the model indicated 50,000 acre-feet of
2 recoverable water remaining in storage and ends when the model indicated less
3 than 20,000 acre-feet of recoverable water.

4 **Q. Please describe how SPS's water model was used to determine depletion**
5 **ranges associated with alternative operating scenarios for the Tolk units.**

6 A. The development of alternative operating scenarios for the Tolk units was an
7 iterative process between Energy Supply and Resource Planning. Working in
8 collaboration, Energy Supply and Resource Planning selected different
9 operational scenarios for Tolk with sensitivities that would help give a more
10 detailed analysis of potential costs or savings to SPS's customers. SPS then ran
11 water modeling based on the capacity factors for Tolk included in these scenarios
12 to determine a depletion range for each scenario. Attachment ML-6(CD) shows
13 the results of the various scenarios the water model predicts when the
14 combination of total water availability in the wellfield aquifer and the ability to
15 extract it would become uneconomic. That result would determine the Tolk
16 retirement dates for that particular alternative. For example, assuming economic
17 dispatch at Tolk (i.e., without reduced operations), the economic depletion range
18 of the aquifer (expressed in years of service of Tolk) would be 2024 – 2026.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 (This is shown as Scenario 1 on the Summary Tab of Attachment ML-6(CD)).
2 Because SPS's predictive groundwater modeling provides a range for when the
3 depletion of economically recoverable water would occur, Energy Supply selected
4 the mid-point (or Year 2 of a 3-year range) of each given range to provide its cost
5 estimates to Resource Planning for use in Strategist. Then, Energy Supply and
6 Resource Planning determined which scenarios should be selected for economic
7 modeling. Ms. Weeks discusses how these scenarios were run by the Strategist
8 model and the final present value revenue requirement of each scenario.

9 **Q. Does SPS's water modeling present a reasonable estimate of the potential**
10 **depletion of the aquifer relative to Tolk operations?**

11 A. Yes. SPS's water modeling provides a reasonable estimate of aquifer depletion
12 that affects Tolk Station operations. SPS's water modeling results are consistent
13 with all the water modeling, water reports, and water studies that SPS has
14 reviewed from third parties (such as WSP, HPWD, and the TWDB). Put simply,
15 every source confirms that the Ogallala aquifer is in a state of persistent and
16 irreversible decline, and WSP's modeling, described in the previous section,
17 confirms that reduced operations can extend the useful lives of the Tolk units until
18 2030 – 2032 range relative to typical operations.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 Given the known direction of aquifer depletion, the drop in the per well
2 production, the prohibitive cost of new water well infrastructure, and the
3 continued agriculture, municipal, and domestic use of water from the aquifer,
4 which use is beyond SPS's control, it is reasonable to conclude that the useful
5 lives of the Tolk generating units have changed. Although SPS cannot predict
6 down to the day when water depletion will make water recovery uneconomic,
7 SPS must make changes in the direction of operations (i.e., limiting production to
8 maintain generation capacity), to start preparing Tolk for when it will retire. For
9 the reasons I discussed in my testimony and the output of the Strategist modeling,
10 as discussed by Ms. Weeks, SPS's proposed retirement date of 2032 is
11 reasonable.

12 **D. Cost Inputs to SPS's Strategist Analysis**
13 **for Tolk Retirement**

14 **Q. What are the cost inputs that Energy Supply provided to Resource Planning**
15 **for use in its Strategist modeling?**

16 A. The cost inputs that Energy Supply developed for use in SPS's Strategist
17 modeling fall into one of five categories: (1) on-going capital expenditures;
18 (2) on-going capital expenditures associated with additional water wells; (3) the

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 cost associated with synchronous condensers; (4) fixed O&M; (5) and costs
2 associated with TUCO fuel handling. The cost inputs provided by Energy Supply
3 to Resource Planning are included in my Attachment ML-6(CD).

4 **Q. Please explain the process that Energy Supply used to develop the cost inputs**
5 **for the various Tolk operational scenarios and sensitivities.**

6 A. The cost inputs were developed through a spreadsheet model that accounted for
7 the various operational scenarios selected and the water depletion range.

8 Costs for ongoing capital expenditures were based on the historical and
9 five-year capital budget. The historical spend considered the average spend over
10 a ten-year period, including outages. The current forward-looking five-year
11 budget was used as a baseline from which to modify that budget based on the
12 operational scenarios. For each scenario, the capital estimate would be limited by
13 lowering the average spend starting several years before the shutdown of a unit to
14 manage the spend-down as a managed decline rather than a step change. When a
15 scenario contemplated the unit running in a reduced operations state, the capital
16 would be limited as well.

17 Capital expenditures were estimated to take care of smaller needs to get
18 the Tolk units to the desired shutdown date. No major upgrade or large

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 component replacements were contemplated. Thus, it would be a judgment call
2 on what level of capital spends would justify the shutdown of the unit. For
3 example, a motor failure that would require a rewind would still be less cost to the
4 customer than shutting down the unit.

5 Costs for ongoing capital expenditures associated with additional water
6 wells were based on the predicted well production of the existing wells and of
7 new wells. There is documented loss of productivity numbers for the existing
8 wellfield that were used as a reference for future wellfield production. The
9 production of new wells were mapped out over time with lower and lower
10 production values that align with existing well field predictions.

11 To allow for peak generation during the year, additional water wells were
12 proposed throughout the remaining life of each scenario. The number of
13 additional wells was calculated so that peak productivity of the generators could
14 be maintained. On-going water well capital consists of the cost bringing new
15 wells into production as well as the replacement cost of existing well field
16 equipment that has failed.

17 Costs associated for synchronous condensers were based on detailed
18 engineering project costs associated with the engineering, procurement, and

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 installation of the equipment needed to operate the Tolk generators in
2 synchronous condenser mode.

3 Costs for fixed O&M were based on the historical O&M expense expected
4 based on current operations and then modified according to the assumptions in a
5 particular scenario. For example, if a unit was to be taken offline and run only for
6 voltage stability purposes, the O&M was adjusted for a lower headcount and
7 materials starting prior to the change. In some cases, there would be fewer Full
8 Time Equivalents, but the cost for contractors might be increased to cover the
9 peak needs. Overhauls were reviewed and were discounted for scope and timing
10 with the change in operation of the unit. If the unit was nearing retirement, the
11 overhaul would be cancelled.

12 Costs associated with the TUCO Fuel handling were based on the 2019 –
13 2023 budget. These costs were then escalated until the modeled retirement dates
14 of the applicable scenario. Because the majority of the total costs are fixed costs,
15 very little changed between scenarios.

16 **Q. Earlier you mentioned one of the cost inputs is for synchronous condensers.**
17 **What is a synchronous condenser?**

18 A. A synchronous condenser utilizes the existing generator (uncoupled from the
19 turbine), existing cooling and oil systems, and voltage regulator to run as a motor

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 on the system with appropriate reactive power controls to regulate transmission
2 voltage. By removing the mechanical load, the generator can be used to
3 compensate the power line with either a leading or lagging power factor on the
4 system by absorbing or supplying reactive power to the line. This power factor
5 can be adjusted by varying the field excitation with the voltage regulator. This is
6 done by over-exciting the field of the synchronous motor.

7 **Q. Why is a synchronous condenser needed?**

8 A. As explained in more detail in the testimony of SPS witness Jarred J. Cooley,
9 when Tolk is taken offline as a generating unit, synchronous condensers are
10 needed to address voltage stability issues that will arise.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 planning decisions and runs its plants based on the useful lives approved in Texas,
2 SPS's predominant regulatory jurisdiction. The changes proposed above will
3 synchronize the estimated useful service lives approved in New Mexico with the
4 useful lives approved in SPS's Texas retail jurisdiction.

5 **Q. Is SPS proposing any similar changes in its Texas retail jurisdiction?**

6 A. Yes. In Texas, SPS is requesting that the useful life of Plant X Unit 2 be reduced
7 by one year, from 2020 to 2019, so that its approved useful life in Texas is
8 consistent with the useful life already approved by the Commission.

9 **Q. Earlier you noted that SPS is requesting approval of a 25-year useful life for**
10 **the Hale Wind Project. Please provide the basis for that request.**

11 A. SPS is proposing a 25-year service life based on an estimate provided by Vestas,
12 the turbine manufacturer, of the average service life of a Vestas turbine. That is
13 also the service life that other Xcel Energy affiliates have used for Vestas turbines
14 in other wind projects.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 of any unrecovered investment and costs to decommission and dismantle Carlsbad
2 in its next applicable base rate case following Case No. 17-00255-UT⁶.

3 **Q. What was the outcome of Case No. 17-00089-UT?**

4 A. SPS's application was approved, with two conditions. First, if the net cost of
5 removal exceeded \$150,000 on a New Mexico jurisdictional basis, SPS was
6 required to file a report to report the outcome of the project along with detailed
7 justification for all expenses incurred. Second, SPS was ordered to identify and
8 provide detailed explanation regarding any Carlsbad-related costs SPS seeks to
9 recover in the rates set in the rate case filed subsequent to the completion of
10 dismantling and decommission, which is this rate case.⁷

11 **Q. Has SPS fulfilled those two conditions?**

12 A. Yes. With respect to the first requirement, the net cost of removal did not exceed
13 \$150,000 on a New Mexico jurisdictional basis. Thus, SPS was not required to
14 and prepare and file that report.

⁶ *In the Matter of Southwestern Public Service Company's Application for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 272, Case No. 17-00255-UT, New Final Order on Partial Mandate from the New Mexico Supreme Court (Mar. 6, 2019).*

⁷ *Id.*

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 With respect to the second requirement, this portion of my testimony,
2 along with the relevant portion of Ms. Wold's direct testimony identifies and
3 provides the detailed explanation regarding the Carlsbad-related costs SPS seeks
4 to recover in the rates set in this rate case. More specifically, I describe the
5 decommissioning and dismantling process and provide the final cost for the
6 decommissioning and dismantling of Carlsbad. Ms. Wold discusses the
7 accounting treatment SPS is requesting for the unrecovered plant balance and
8 dismantling costs.

9 **Q. When was Carlsbad retired?**

10 A. Carlsbad was retired on December 31, 2017.

11 **Q. Has Carlsbad been decommissioned and dismantled?**

12 A. Yes.

13 **Q. Please describe the decommissioning and dismantling process.**

14 A. Decommissioning and dismantling included de-energizing the equipment,
15 disconnecting the generator from the grid, removing all plant consumables
16 (chemicals, fuels, oils, water, etc.) and disconnecting plant utilities. Once that
17 was completed, SPS removed the equipment, piping, concrete, and conduit down
18 to four feet below ground level. The remaining hole was then filled in with native
19 soils and covered with one foot of white rock/gravel.

Case No. 19-00170-UT
Direct Testimony
of
Mark Lytal

1 **Q. Did SPS issue an RFP for the decommissioning and dismantling process?**

2 A. Yes. SPS issued an RFP for a third-party contractor to perform the dismantling
3 activities. SPS sent RFP's out to five parties. Of the five parties, only three
4 returned bids. SPS used the standard criteria of contractor qualifications, work
5 history, safety performance, and price in analyzing and awarding the bids
6 received. All three of the bids were inclusive of the scrap value of the equipment.

7 **Q. How much did it cost to decommission and dismantle Carlsbad?**

8 A. The final cost for the decommissioning and dismantling of Carlsbad was
9 \$201,212 total company and \$55,698 NM retail.

10 **Q. Did SPS put any of the decommissioned equipment for sale on the market?**

11 A. Yes. SPS put the equipment out for bid, but there were no interested parties.
12 Accordingly, SPS did not recover any funds from the decommissioned equipment.

13 **Q. Does this conclude your pre-filed direct testimony?**

14 A. Yes.

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF POTTER)

MARK LYTAL, first being sworn on his oath, states:

I am the witness identified in the preceding direct testimony. I have read the direct testimony and the accompanying attachment(s) and am familiar with their contents. Based upon my personal knowledge, the facts stated in the testimony are true. In addition, in my judgment and based upon my professional experience, the opinions and conclusions stated in the testimony are true, valid, and accurate.

Mark Lytal

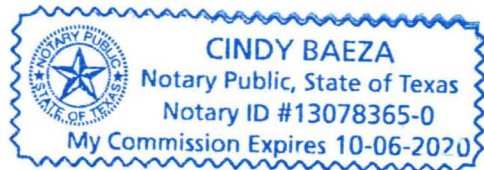
MARK LYTAL

SUBSCRIBED AND SWORN TO before me this 20 day of June, 2019 by MARK LYTAL.

Cindy Baeza

Notary Public of the State of Texas

My Commission Expires: 10-06-2020



Southwestern Public Service Company
Total Company Amounts and Jurisdictional Percentages

Line No.	Witness	Description	Page No.	Line No.	Total Company Amount	Number Scale	Allocator (Name)	TY Allocator (%)	NM Amount
1	Lytal	Energy Supply Capital Additions from April 1, 2018 through August 31, 2019	5	13	\$ 794,938,190	Dollars	(1)	(1)	\$ 227,217,676
2	Lytal	Energy Supply Capital Additions from April 1, 2018 through March 31, 2019	5	14	\$ 42,028,513	Dollars	(1)	(1)	\$ 11,634,816
3	Lytal	Energy Supply Capital Additions from April 1, 2019 through August 31, 2019	5	15	\$ 752,909,677	Dollars	(1)	(1)	\$ 215,582,860
4	Lytal	Energy Supply Capital Additions from April 1, 2018 through March 31, 2019	18	6	\$ 42,028,513	Dollars	(1)	(1)	\$ 11,634,816
5	Lytal	Steam Production Additions from April 1, 2018 through March 31, 2019	18	8	\$ 39,843,569	Dollars	12CP-PROD	27.68%	\$ 11,029,215
6	Lytal	Other Production Additions from April 1, 2018 through March 31, 2019	18	9	\$ 1,210,856	Dollars	12CP-PROD	27.68%	\$ 335,181
7	Lytal	General Plant Additions from April 1, 2018 through March 31, 2019	18	10	\$ 974,088	Dollars	LABXAG	27.76%	\$ 270,421
8	Lytal	Reliability & Performance Enhancement	20	Table ML-1	\$ 40,580,857	Dollars	(1)	(1)	\$ 11,234,086
9	Lytal	Environmental Compliance	20	Table ML-1	\$ 1,392,628	Dollars	(1)	(1)	\$ 385,497
10	Lytal	New Generation	20	Table ML-1	\$ 55,028	Dollars	(1)	(1)	\$ 15,233
11	Lytal	Total	20	Table ML-1	\$ 42,028,513	Dollars	(1)	(1)	\$ 11,634,816
12	Lytal	Reliability & Performance Enhancement	20	Table ML-1	\$ 40,580,857	Dollars	(1)	(1)	\$ 11,234,086
13	Lytal	Harrington Unit 3 - Replace Boiler Economizer	21	6 & 7	\$ 4,189,538	Dollars	12CP-PROD	27.68%	\$ 1,159,718
14	Lytal	Tolk Unit 2 - Rewind Generator Rotor	21	13 & 14	\$ 2,175,648	Dollars	12CP-PROD	27.68%	\$ 602,248
15	Lytal	Harrington Unit 3 - Replace Air Pre-heater baskets	21	26 & 27	\$ 1,623,841	Dollars	12CP-PROD	27.68%	\$ 449,500
16	Lytal	Tolk Unit 2 - Replace Main Power Transformer	22	5 & 6	\$ 1,603,155	Dollars	12CP-PROD	27.68%	\$ 443,774
17	Lytal	Tolk Unit 1 - Replace Mill F Main Vertical Shaft	22	13 & 14	\$ 1,374,614	Dollars	12CP-PROD	27.68%	\$ 380,551
18	Lytal	Harrington Unit 3 - Replace Cooling Tower Bottom Structure	22	28	\$ 1,227,170	Dollars	12CP-PROD	27.68%	\$ 339,696
19	Lytal	Tolk Units 1 & 2 - Replace Mill Gearbox and Journals	23	1 & 2	\$ 2,032,449	Dollars	12CP-PROD	27.68%	\$ 562,608
20	Lytal	Tolk Unit 0 - Replace Railroad Ties Phases 3 & 4	23	18 & 19	\$ 2,160,147	Dollars	12CP-PROD	27.68%	\$ 597,957
21	Lytal	Tolk Unit 1, Harrington Unit 3 & Cunningham Unit 2 - Upgrade DCS Operator Stations and Control Processors	23	32 & 33	\$ 2,309,631	Dollars	12CP-PROD	27.68%	\$ 639,336
22	Lytal	Tolk Unit 1 - Replace Coal Pipe and Elbows	24	16 & 17	\$ 776,483	Dollars	12CP-PROD	27.68%	\$ 214,941
23	Lytal	Plant X Unit 0 - Replace 50 Ton Turbine Crane	24	24 & 25	\$ 668,393	Dollars	12CP-PROD	27.68%	\$ 185,020
24	Lytal	Maddox Unit 1 - Replace Hot Reheat Terminal Tubes	25	3 & 4	\$ 601,878	Dollars	12CP-PROD	27.68%	\$ 166,608
25	Lytal	Tolk Unit 1 - Replace Burner Assemblies	25	11 & 12	\$ 581,360	Dollars	12CP-PROD	27.68%	\$ 160,928
26	Lytal	Harrington Unit 2 - Install Ash Silo Elevator	25	22 & 23	\$ 565,909	Dollars	12CP-PROD	27.68%	\$ 156,651
27	Lytal	Cunningham Unit 2 - Hot Reheat Abatement and Re-insulation	25	33 & 34	\$ 530,070	Dollars	12CP-PROD	27.68%	\$ 146,730
28	Lytal	Maddox Unit 1 - Replace #1 High Pressure Feed Water Heater	26	10	\$ 529,643	Dollars	12CP-PROD	27.68%	\$ 146,612
29	Lytal	Nichols Unit 0 - Replace High Turbine Roof	26	16 & 17	\$ 523,645	Dollars	12CP-PROD	27.68%	\$ 144,952
30	Lytal	Harrington Unit 0 - Replace Soot Blower Air Compressor Controls	26	26	\$ 486,622	Dollars	12CP-PROD	27.68%	\$ 134,703
31	Lytal	Jones Unit 0 - Smart Pig Test	26	34	\$ 472,480	Dollars	12CP-PROD	27.68%	\$ 130,788
32	Lytal	Harrington Unit 1 & 2 - Replace Cooling Tower Fan Stacks	27	6	\$ 932,808	Dollars	12CP-PROD	27.68%	\$ 258,213
33	Lytal	Nichols Unit 3 - Replace Cooling Tower Mechanicals Phase 1	27	16	\$ 461,611	Dollars	12CP-PROD	27.68%	\$ 127,780

Southwestern Public Service Company
Total Company Amounts and Jurisdictional Percentages

Line No.	Witness	Description	Page No.	Line No.	Total Company Amount	Number Scale	Allocator (Name)	TY Allocator (%)	NM Amount
34	Lytal	Environmental Compliance	28	3	\$ 1,392,628	Dollars	(1)	(1)	\$ 385,497
35	Lytal	Tolk Station Unit 2 - Replace Baghouse Bags	28	9 & 10	\$ 475,735	Dollars	12CP-PROD	27.68%	\$ 131,690
36	Lytal	Harrington Station Unit 3 - Replace Baghouse Doors	28	16 & 17	\$ 364,027	Dollars	12CP-PROD	27.68%	\$ 100,767
37	Lytal	Jones Unit 2 - Upgrade Continuous Emission Monitoring	28	27	\$ 216,485	Dollars	12CP-PROD	27.68%	\$ 59,926
38	Lytal	Jones Unit 1 - Upgrade Continuous Emission Monitoring	29	3 & 4	\$ 208,087	Dollars	12CP-PROD	27.68%	\$ 57,601
39	Lytal	New Generation	29	12	\$ 55,028	Dollars	12CP-PROD	27.68%	\$ 15,233
40	Lytal	Hale Wind Farm - Land Purchase	29	15	\$ 55,028	Dollars	12CP-PROD	27.68%	\$ 15,233
41	Lytal	Energy Supply Capital Additions from April 1, 2019 through August 31, 2019	30	10	\$ 752,909,677	Dollars	(1)	(1)	\$ 215,582,860
42	Lytal	Steam Production Capital Additions from April 1, 2019 through March 31, 2019	30	12	\$ 31,220,031	Dollars	12CP-PROD	27.68%	\$ 8,642,108
43	Lytal	Other Production Capital Additions from April 1, 2019 through March 31, 2019	30	13	\$ 693,982,338	Dollars	(1)	(1)	\$ 198,996,634
44	Lytal	Transmission Capital Additions from April 1, 2019 through March 31, 2019	29	14	\$ 27,215,910	Dollars	ENERGY	28.69%	\$ 7,807,698
45	Lytal	General Plant Additions from April 1, 2019 through March 31, 2019	29	14	\$ 491,398	Dollars	LABXAG	27.76%	\$ 136,419
46	Lytal	Reliability & Performance Enhancement	32	Table ML-2	\$ 39,229,551	Dollars	(1)	(1)	\$ 10,859,640
47	Lytal	Environmental Compliance	32	Table ML-2	\$ 1,476,216	Dollars	(1)	(1)	\$ 408,636
48	Lytal	New Generation	32	Table ML-2	\$ 712,203,910	Dollars	(1)	(1)	\$ 204,314,583
49	Lytal	Total	32	Table ML-2	\$ 752,909,677	Dollars	(1)	(1)	\$ 215,582,860
50	Lytal	Reliability & Performance Enhancement	32	11	\$ 39,229,551	Dollars	(1)	(1)	\$ 10,859,640
51	Lytal	Cunningham Unit 3 - Rewind Generator	33	3 & 4	\$ 5,893,440	Dollars	12CP-PROD	27.68%	\$ 1,631,381
52	Lytal	Tolk Unit 0 - Water Well Phase 8	33	16 & 17	\$ 4,739,367	Dollars	12CP-PROD	27.68%	\$ 1,311,919
53	Lytal	Cunningham Unit 3 - Replace Compressor	33	24 & 25	\$ 2,768,221	Dollars	12CP-PROD	27.68%	\$ 766,280
54	Lytal	Plant X Unit 4 - Replace Hot Reheat Steamed Piping	34	4 & 5	\$ 2,051,234	Dollars	12CP-PROD	27.68%	\$ 567,808
55	Lytal	Jones Unit 2 - Replace Seamed Hot Reheat Piping	34	17 & 18	\$ 1,997,089	Dollars	12CP-PROD	27.68%	\$ 552,820
56	Lytal	Harrington Unit 3 - Replace Cooling Tower Hot Water Deck	34	30	\$ 1,807,318	Dollars	12CP-PROD	27.68%	\$ 500,289
57	Lytal	Harrington Unit 1 - Replace Foxboro FBMs	35	3 & 4	\$ 1,619,516	Dollars	12CP-PROD	27.68%	\$ 448,503
58	Lytal	Harrington Unit 1 - Replace Deaerator Heater Vessel	35	17 & 18	\$ 1,019,735	Dollars	12CP-PROD	27.68%	\$ 282,276
59	Lytal	Harrington Unit 2 - Mill A Motor Overhaul	35	28 & 29	\$ 911,498	Dollars	12CP-PROD	27.68%	\$ 252,315
60	Lytal	Harrington Unit 3 - Replace Cooling Tower Fan Deck	36	3 & 4	\$ 898,548	Dollars	12CP-PROD	27.68%	\$ 248,730
61	Lytal	Environmental Compliance	36	27	\$ 1,476,216	Dollars	12CP-PROD	27.68%	\$ 408,636
62	Lytal	Tolk Unit 1 - Replace Baghouse Bags	37	5 & 6	\$ 693,493	Dollars	12CP-PROD	27.68%	\$ 191,968
63	Lytal	Harrington Unit 1 - Replace ESP Wires Phase 1 of 2	37	13 & 14	\$ 350,842	Dollars	12CP-PROD	27.68%	\$ 97,118
64	Lytal	New Generation	38	1	\$ 712,203,910	Dollars	(1)	(1)	\$ 204,314,583
65	Lytal	Hale Wind Project - Other Production	38	5 & 6	\$ 684,748,000	Dollars	ENERGY	28.69%	\$ 196,440,450
66	Lytal	Hale Wind Project - Transmission Serving Generation & Substation	38	9	\$ 27,215,910	Dollars	ENERGY	28.69%	\$ 7,807,698
67	Lytal	Sagamore Wind Project - Land	38	14 & 15	\$ 240,000	Dollars	12CP-PROD	27.68%	\$ 66,435
68	Lytal	Decommissioning and Dismantling of Carlsbad	86	9	\$ 201,212	Dollars	12CP-PROD	27.68%	\$ 55,698

(1) Steam Production and Other Production plant is allocated based on 12CP-PROD (27.68%), other than the Hale Wind Project, which is allocated based on ENERGY (28.69%). Transmission plant is allocated based on 12CP-TRAN (20.45%) other than the Hale Wind Project, which is allocated based on ENERGY (28.69%). General plant is allocated based on LABXAG (27.76%).

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
1	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rpl MDBFP Discharge Vlv	\$ 178,334	\$ 49,365
2	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rpl Boiler Frt Elevator	3,175	879
3	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rpl BlrDrm E Center Sfty	6,978	6,978
4	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC- Rpl West Main Stm Sfty	(9,986)	(2,764)
5	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-HydrogenGen Power Sys	49,176	13,613
6	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rwd W Blr Circ Pmp Mtr	100,489	27,817
7	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rpl CT Partition Walls	238,005	65,883
8	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-Rpl Reactor 1 Inlet Pipe	23,986	6,640
9	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C- Rewind Generator Rotor	2,175,648	602,248
10	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rpl MillF Main Vrt Shaft	1,374,614	380,511
11	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C-Gen Stator Rewedge	271,793	75,236
12	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C-Inst RealTmXfmr DisGasAnly	46,282	12,811
13	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C-Rpl Bull Ring Assembly	23,363	6,467
14	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-Inst Rectifier RMU	2,666	738
15	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rewind CT Cell #6 Motor	7,820	2,165
16	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rewind CT Cell #14 Motor	7,418	2,053
17	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-Rewind CT Cell #18 Motor	7,558	2,092
18	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-Inst SwingGates&LadderProt	208,917	57,831
19	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-Rpl SSBAC Oil Cooler	8,864	2,454
20	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C-Rpl Center AuxCirc Dis Vlv	16,949	4,692
21	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL2C-Rpl Bull Ring Assyby 2C	20,245	5,604
22	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-Rpl Horz Well 99E Pump	83,440	23,097
23	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOL0C-S SBAC OWH 2017-22573	(881)	(244)
24	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.500	TOLIC-W Rev Gas Mtr Rwnd	(294)	(81)
25	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.035	HAR3C-Rpl Boiler Economizer	4,189,538	1,159,718
26	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR2C-Rpl S Cond Pump Element	80,736	22,349
27	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl CT Cell #2 Mechanicals	6,004	1,662
28	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HARIC-Rpl W #2 O2 Probe	226	63
29	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HARIC-W Circ Pmp Wire Replaced	73,552	20,360
30	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Install Eye Wash Station	23,337	6,460
31	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-CT N Circ Pump Mtr Rewind	136,535	37,795
32	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR2C-Rpl O2 Probes	21,631	5,988
33	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HARIC-CTMU Pump Rpl Rotating Assy	19,678	5,447
34	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-Rpl W FD Fm Oil Cir Tubes	22,246	6,158
35	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-Rpl Pond 7 Floating Pump	14,866	4,115
36	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-Rpl ACI Diverter Valves	12,891	3,568
37	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HARIC-SUBFP Motor Rewind	211,706	58,603
38	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-CESP BFP Element	168,304	46,589
39	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl Bghse Inlet Duct Exp Jnts	131,949	36,525
40	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR2C-Rpl Deflation Fan Motors	17,716	4,904
41	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl #2 FWH 2B Valve	40,365	11,174
42	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-3D SBAC Motor Rewind	170,101	47,086
43	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl N CT Circ Pump cable	56,955	15,766
44	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-Swing gates and ladder	118,168	32,710
45	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR2C-Inst CT Cable tray	59,589	16,495

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
46	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Aux Clg Wtr Pmp Mir Rwd	60,012	16,612
47	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR0C-Inst Vlv on BD Recovery	80,571	22,303
48	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl FWH3 Steam Separator	10,673	2,954
49	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl W#4 O2 Probe	11,002	3,046
50	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-N ACW Pump Mir Rwnd	17,393	4,815
51	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-C BCP Mir Rwnd	46,210	12,791
52	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl N Cond Bstr Pump Cable	20,253	5,606
53	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR1C-Rpl Dust Sprrsn Pump Cable	25,697	7,113
54	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl FWH3 Shell relief vlv	8,758	2,424
55	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR2C-W Seal Trough Wtr Pump Rpl	5,485	1,518
56	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR1C-Rpl #2 Corner Tilt Drives	48,276	13,363
57	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.500	HAR3C-Rpl FWH2 Steam Separator	2,784	2,784
58	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.283	HAR3C-Rpl APH Baskets	1,623,841	449,500
59	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.296	TOL2C-Rpl Main Pwr Transformer	1,603,155	443,774
60	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.475	HAR3C-Rpl CT Bottom Structure	1,227,170	339,696
61	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.226	TOL2C-Rpl Mill E Gearbx & Jour	1,175,533	325,403
62	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.113	TOL0C-Rpl RR Ties PH 3 of 5	1,123,730	311,063
63	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.257	TOL1C-UpDCSOprStm& CntrlProc	1,105,121	305,912
64	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.093	TOL0C-Rpl RR Ties PH 4 of 5	1,036,417	286,894
65	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.223	TOL1C-Rpl MillC GearBx & Jrnl	856,916	237,206
66	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.309	HAR3C-H3 Upgrd DCS Opr sin	776,877	215,050
67	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.597	TOL1C-Rpl Coal Pipe & Elbows	776,483	214,941
68	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC0C-Waste Water Pond Pump	203	56
69	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC2C-Sprht Spray Blck Vlv	26,817	7,423
70	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC0C-Rpl Gas Sys SRV	37,149	10,283
71	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC2C-Anodamine CF System	1,139	315
72	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC0C-MaxiVolt Equipment	12,058	3,338
73	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC2C-HRH Piping Abate&Reins	530,070	146,730
74	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC2C-Rpl Firing Valve	13,138	3,637
75	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC2C-Rpl Elevator Gearbox	63,842	17,672
76	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.500	CHC0C-inst Ladder Swing Gates	53,990	14,945
77	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Fire System Iso Vlvs	502	139
78	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Rpl UF Modules	40,559	11,227
79	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Rpl Diesel Fire Pmp Vlv	13,540	3,748
80	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Install Rectifier RMU	3,774	1,045
81	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Smart Pig Test	472,480	130,788
82	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON1C-Rpl HP FWH #1 & #2	27,941	7,734
83	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl HP FWH #2	27,485	7,608
84	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl CT Motor Cell #3	12,939	3,582
85	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl CT Motors	23,786	6,584
86	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Inst Ladder Swing Gates	34,174	9,460
87	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl Aux Blr Wtr Vlv	11,187	3,097
88	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON0C-Rpl Fire Sys Clk Vlv	10,658	2,950
89	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl Gas Density Anlyzr	5,394	1,493
90	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-E Rpl CT Bypass Vlv	139	39

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
91	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.500	JON2C-Rpl Econimizer Exp Jnts	(731)	(202)
92	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD1C-Rpl Main Strm SealReg Vlv	26,341	7,291
93	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD2C-Rwnd DC Lube Oil Motor	(255)	(71)
94	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD1C-Rpl Basement Heater	839	232
95	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD0C-Rpl Main Pinnacle Gas Vlv	27,802	7,696
96	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD0C-Inst Ladder Swing Gates	24,324	6,733
97	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.500	MAD1C-Rpl HRH Terminal Tubes	601,878	166,608
98	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.157	PLX0C-Rpl 50T-5T Turb Crane-20816	668,393	185,020
99	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.043	TOL1C-Rpl Burner Assemblies	581,360	160,928
100	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.006	HAR2C-H2 Install Ash Silo Elev	565,909	156,651
101	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.067	MAD1C-Rpl #1 HP FWH-20820	529,643	146,612
102	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.117	NIC0C-Rpl Roof-Turb High	523,645	144,952
103	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.244	HAR0C-Rpl SBAC Controls	486,622	134,703
104	Steam Production	Lytal	Environmental Compliance	A.0001555.089	TOL2C-Rpl Baghouse Bags 2018	475,735	131,690
105	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.446	HAR2C- CT Fan Stacks	468,675	129,735
106	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.450	HAR2C- Rpl CT Fan Stacks	464,132	128,478
107	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.123	NIC3C-CT Mechanicals Phase 1	461,611	127,780
108	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.122	CHC2C-Upg DCS Hardware	427,632	118,374
109	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.024	MAD1C-Rpl CS APH Basket&Seals	397,843	110,128
110	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.250	HAR1C-Rpl CT Mechanicals Ph2	387,719	107,326
111	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.032	MAD1C-Rpl MI Elevator	381,966	105,733
112	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.118	NIC0C-Rpl Roof-Turb Low	364,669	100,945
113	Steam Production	Lytal	Environmental Compliance	A.0001550.458	HAR3C- Rpl Bghse Doors	364,027	100,767
114	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.253	JON1C-BFP Elem Comp Rpl-21019	343,739	95,152
115	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.035	CHC2C-Rpl BFP Discharge vlv	342,703	94,865
116	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.287	JON2C-Rpl CT Makeup Piping	332,687	92,092
117	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.366	TOL1C-T1 #1FWH valves	317,076	87,771
118	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC2C-BFP Element Refurb	1,553	430
119	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Inst #6 Slaker RR Supply	2,447	677
120	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC3C-Rpl SIAE Throttle Valve	(817)	(226)
121	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC2C-Rpl Boiler Sump Pipe	656	182
122	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC3C-Rpl SSR Bypass Actuator	21,990	6,087
123	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC3C-Rpl Reverse Power Relays RPl-	14,204	3,932
124	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC1C-Rewind N FD Motor *Corrected*	46,343	12,828
125	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC2C-Rpl Hogging Jet Valves	16,788	4,647
126	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Swing gates and ladders	76,463	21,166
127	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Rpl Demin Sump Drain Line	21,059	5,829
128	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Pond 18 Motor Rpl	15,300	4,235
129	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-House Air Comp Mtr	6,169	1,708
130	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC1C-Rpl CT Makeup Cntrl Vlv	(35)	(10)
131	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Rpl System Lab HVAC	9,398	2,602
132	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.500	NIC0C-Rpl Aux Boiler Feed Pump	58,501	16,194
133	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX1C-Rpl DA Pressure Rel Vlv	(0)	(0)
134	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX2C-Rpl Yarway DrumLvl Xntr	24,922	6,899
135	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX2C-Rpl West Blowdown Vlv	10,031	2,777

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
136	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX3C-Rpl SH/RRH Spray block Viv	5,791	1,603
137	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX4C-Rpl Bldn Throttling Viv	6,491	1,797
138	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX4C-Rpl Inst Air Comp	81,211	22,480
139	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX0C-Inst SwingGates&LadderProt	23,690	6,558
140	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX4C-Rpl SH/RRH Spv/Auto BIKVLV	29,904	8,278
141	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX4C-Rpl HP Heater Safeties	14,537	4,024
142	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX0C-Replace Water Wells	30,780	8,520
143	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.500	PLX3C-EFD Fan Motor Rwd	51,768	14,330
144	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.252	TOL0C-Rpl Receiving WH Roof	273,849	75,805
145	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.031	CHC2C-Rpl BFP Fluid Drives	270,951	75,003
146	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.479	HAR3C-Rpl EHC Pump Sys	261,741	72,453
147	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.115	NIC0C-Install Demin Wtr Supply	260,255	72,042
148	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.021	HAR0C-Rpl Paving Phase 5/6	252,260	69,829
149	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529.057	MAD1C-Rpl Air Prehr Exp Joint	243,217	67,326
150	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.455	HAR3C- ACW Heat Exchangers	234,268	64,848
151	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.120	TOL0C-Inst Perimet FencePonds	232,148	64,262
152	Steam Production	Lytal	Environmental Compliance	A.0001586.265	JON2C-CEM's Upgrade-19975	216,486	59,926
153	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.028	HAR2C-Rpl CT Acid Tank	210,340	58,225
154	Steam Production	Lytal	Environmental Compliance	A.0001586.264	JON1C-CEM's Upgrade-19976	208,087	57,601
155	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.370	TOL2C-RPL Boiler Sump Line T2	203,910	56,445
156	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.073	JON0C-Inst Backflow Prvt on HT	193,923	53,680
157	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.034	HAR0C-Rpl Paving Phase 6/6	180,040	49,837
158	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.595	TOL1C-Cooling Tower Bypass	173,448	48,013
159	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586.285	JON2C-Rpl Circ Pump Suc Hood	170,659	47,241
160	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.254	TOL1C-Rpl SSC Chain 2018	165,793	45,894
161	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.083	HAR3C-H3 Lab Analyzers	151,767	42,011
162	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.172	PLX0C-Rpl Lab Analyzers	140,631	38,929
163	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.594	TOL1C-Int Online Vib Mntnr Sys	140,414	38,868
164	Steam Production	Lytal	Environmental Compliance	A.0001550.151	HAR3C-H3 Rebag Partial 2018	132,478	36,672
165	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.599	TOL2C-Inst Online Vib Mntnr Sys	120,957	33,483
166	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.060	TOL0C-Rpl Water Well Pmp 2018	118,257	32,735
167	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.079	NIC3C-Rpl Lab Analyzers	111,612	30,896
168	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.358	TOL1C-RPL Boiler Sump Line	107,985	29,892
169	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.254	CHC2C-Rpl Burner Titts-21235	104,421	28,905
170	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.255	CHC2C-Rpl CT Suction Screens-21237	100,689	27,872
171	Steam Production	Lytal	Environmental Compliance	A.0001550.443	HAR1C- ESP Re-build TR-sets PH2	91,868	25,430
172	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.473	HAR3C-Inst Online Vib Mntnr Sys	88,416	24,475
173	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001560.116	NIC0C-Rpl Roof-Maint Shop	82,782	22,915
174	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.073	CHC0C-Rpl Waterwell Pmp Mtr	80,176	22,194
175	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.300	CHC0C-Rpl Lab Analyzers	73,779	20,423
176	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534.171	PLX0C-Roof Drains Header	73,699	20,401
177	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550.082	HAR3C-H3 Rpl Drag Chain 2018	71,344	19,749
178	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.083	CHC0C-Rpt Water Well Mtr 2017	71,264	19,727
179	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555.363	TOL1C- Rpl rev gas expansion joints	69,636	19,276
180	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545.305	CHC2C-Rpl Lab Analyzers	65,132	18,029

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
181	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545:046	CHOC-Returb Plant Bathroom	60,166	16,655
182	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545:257	CHOC-Rpl TUCO Roof-21291	56,709	15,698
183	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:185	PLX3C-Condensate Suction Pipe	53,483	14,805
184	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:190	PLX4C-Rpl Feedwater Analyzers	51,241	14,184
185	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529:036	MAD1C-Rpl Turbine Oil Centrifu	46,676	12,920
186	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:481	HAR0C-Trng Chtr Fire Detection	42,399	11,737
187	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:184	PLX3C-Rpl Feedwater Analyzers	40,505	11,212
188	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545:304	CHC2C-Inst Onln Vlb Mntr Sys	37,599	10,408
189	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:072	JON2C-Rpl Gas Firing Valve	37,199	10,297
190	Steam Production	Lytal	Environmental Compliance	A.0001550:461	HAR0C-Inst Above Grade Fuel Tanks	31,468	8,711
191	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529:052	MAD0C-Tornado Shelter	28,874	7,993
192	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:260	JON1C-CT Sec pH Probe-21239	27,971	7,743
193	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:278	TOL0C-Drill Horizontal WaterWell	27,463	7,602
194	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:170	PLX0C-Rpl Relay & ComprRmFloors	26,704	7,392
195	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:259	JON2C-CT Sec pH Probe-21238	26,343	7,292
196	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:364	TOL1C-Rpl east rev gas fan damper	23,338	6,460
197	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:262	HAR1C-SBAC 1B Mjr Reblid 2017	18,120	5,016
198	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001545:303	CHC1C-Rpl Lab Analyzers	13,664	3,782
199	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:194	HAR2C-Rpl H2 Mill E Exhauster	11,862	3,283
200	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:174	PLX1C-Rpl Boiler PH Analyzers	11,589	3,208
201	Steam Production	Lytal	Environmental Compliance	A.0001555:090	TOL1C-Rpl Baghouse Bags 2017	9,754	2,700
202	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001534:178	PLX2C-Rpl Boiler pH Analyzers	8,442	2,337
203	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:596	TOL1C-Rpl Lab Sample System	8,000	2,215
204	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:212	TOL0C-Rpl Water Well Pmp 2019	7,085	1,961
205	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:142	JON1C-Rpl Oil Circ Brkr JK00	4,923	1,363
206	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:055	JON1C-Abate & Reinsulate DA	2,288	633
207	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:057	TOL0C-Rpl Water Well Pmp 2017	1,492	413
208	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:262	JON1C-Circ Water Struct Liner-19992	1,025	284
209	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001529:065	MAD1C-Rpl Lab Analyzers-21292	508	141
210	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:261	JON1C-Replace CP's-19974	485	134
211	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:129	JON1C-Rpl Rosemount 1151 XMTRS	210	58
212	Steam Production	Lytal	Environmental Compliance	A.0001550:462	HAR0C-Remove UG Fuel Tanks	186	51
213	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:030	TOL0C-TolkX Water Well Ph 7	176	49
214	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:283	JON1C-Rpl CT Bypass Vlv	160	44
215	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:275	HAR2C-Rpl SH Spray Valves	37	10
216	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:014	JON2C-E Rpl Mech Draft 3&8	28	8
217	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:137	HAR2C-H2 Rpl Lab Analyzers 201	10	3
218	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:142	HAR1C-Cooling Tower Structure	(1)	(0)
219	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001555:219	TOL1C-Rpr MillB GearBx & Jml	(210)	(58)
220	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:141	JON1C-Rpl IPs with DVC	(314)	(87)
221	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001550:109	HAR1C-H1 Rpl Condenser Circ Pi	(327)	(91)
222	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:295	JON0C-Portable Vibration DAS	(7,958)	(2,203)
223	Steam Production	Lytal	Reliability & Performance Enhancement	A.0001586:081	JON1C-Rpl Seamed HRH Piping	(123,637)	(34,224)
224	Steam Production	Lytal	Environmental Compliance	A.0001555:088	TOL1C-Rpl Baghouse Bags 2018	(137,462)	(38,051)
225	Steam Production Total					39,843,569	\$ 11,029,215

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2*	Project Description (WBS Level 2 Description)	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2018 - March 31, 2019) NM Retail
226	Other Production	Lytal	Reliability & Performance Enhancement	A.0001586.291	JON3C-Rpl Exh Expansion Joint	\$ 230,300	\$ 63,750
227	Other Production	Lytal	Reliability & Performance Enhancement	A.0001545.501	CHC3C-Rpl GT Inlet Air Filters	76,209	21,096
228	Other Production	Lytal	Reliability & Performance Enhancement	A.0001545.501	CHC4C-Rpl GT Inlet Air Filters	76,406	21,150
229	Other Production	Lytal	Reliability & Performance Enhancement	A.0001545.501	CHC3C-Rpl Submersible Pump	9,320	2,580
230	Other Production	Lytal	Reliability & Performance Enhancement	A.0001545.501	CHC3C-Rpl Generator Prot Relays	25,357	7,019
231	Other Production	Lytal	Reliability & Performance Enhancement	A.0001545.501	CHC4C-Rpl Generator Prot Relays	26,138	7,235
232	Other Production	Lytal	Reliability & Performance Enhancement	A.0001586.294	JON4C-Rpl Exh Expansion Joint	209,394	57,963
233	Other Production	Lytal	Reliability & Performance Enhancement	A.0001529.501	MAD2C-Xfirm Rewind and Wire	82,853	22,935
234	Other Production	Lytal	Reliability & Performance Enhancement	A.0001529.501	MAD2C-Rpl Fuel Cntrl Viv	48,541	13,437
235	Other Production	Lytal	Reliability & Performance Enhancement	A.0001529.501	MAD2C-Rpl Crane Pwr Supply	19,101	5,287
236	Other Production	Lytal	Reliability & Performance Enhancement	A.0001529.501	MAD2C-Rpl AC Units Elec Pkg	9,834	2,722
237	Other Production	Lytal	Reliability & Performance Enhancement	A.0001529.080	MAD3C-Rpl Exhaust Stack	152,634	42,251
238	Other Production	Lytal	Reliability & Performance Enhancement	A.0001586.501	JON4C-Rpl Turning Gear Gearbox	142,393	39,416
239	Other Production	Lytal	Reliability & Performance Enhancement	A.0001577.002	JON3C-Rpl Gen Cooler Bypass Act	9,973	2,761
240	Other Production	Lytal	New Generation	A.0001577.002	Hale-Land & Land Rights	55,028	15,233
241	Other Production	Lytal	Reliability & Performance Enhancement	A.0001554.501	QUA1C-Rpl Starting Diesel Rad	22,987	6,363
242	Other Production	Lytal	Reliability & Performance Enhancement	A.0001554.003	QUA2C-Rpl Emergency Diesel Generato	14,249	3,944
243	Other Production	Lytal	Reliability & Performance Enhancement	A.0001621.001	GMS0C-Gaines City Gen Project	139	39
244	Other Production Total					\$ 1,210,856	\$ 335,181
245	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.689	GMS0C-TX Lab Instruments	\$ 217,876	\$ 60,486
246	Electric General	Lytal	Reliability & Performance Enhancement	A.0006056.227	GSMOC Purchase Vehicles	173,296	48,109
247	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.684	TOL0C - Purch Misc Tools	98,438	27,328
248	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.668	HAR0C-Purch Plant Tools	95,600	26,540
249	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.692	GMS0C-MMR Instruments	56,118	15,579
250	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.691	GMS0C-TRaC Tools	49,357	13,702
251	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.429	JON0C-Rpl Milling Machine	48,276	13,402
252	Electric General	Lytal	Reliability & Performance Enhancement	A.0001550.460	HAR0C-Purchase PMI Analyzer	39,628	11,001
253	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.673	JON0C-Capital Tools	37,899	10,521
254	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.677	PLX0C-Purch Misc Plant Tool	35,068	9,735
255	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.674	MAD0C-Purchase Cap Tools	34,414	9,554
256	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.693	GMS0C-PMO Equipment	28,270	7,848
257	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.690	GMS0C-E&C Tools	23,823	6,614
258	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.675	NIC0C-Purch Plant Tools	21,541	5,980
259	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.688	GMS0C-Training Tools	13,165	3,655
260	Electric General	Lytal	Reliability & Performance Enhancement	A.0003000.663	CHC0C-Cunningham Tools	1,318	366
261	Electric General Total					\$ 974,088	\$ 270,421
262	Grand Total					\$ 42,028,513	\$ 11,634,816

* Note - Multiple projects with the same WBS Level 2 number were budgeted via an Emergent Fund. Actual costs roll up to the Emergent Fund WBS Level 2 number. See the Direct Testimony of Mark Lytal for additional explanation.

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2019 through August 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	
Line No.	Asset Class	Witness	Project Category	Project Description	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
1	Steam Production	Lytal	Reliability & Performance Enhancement	TOL0C-TolkX Water Well Ph 8	\$ 4,739,367	\$ 1,311,918
2	Steam Production	Lytal	Reliability & Performance Enhancement	PLX4C-Rpl HE Seamed Piping-20747	2,051,234	567,808
3	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Rpl Seamed HRH Piping	1,997,089	552,820
4	Steam Production	Lytal	Reliability & Performance Enhancement	HAR3C - Rpl CT Hot Water Deck	1,807,318	500,289
5	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-HI Rpl Foxboro FBMs	1,619,516	448,303
6	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl DA Heater Vessel	1,019,735	282,276
7	Steam Production	Lytal	Reliability & Performance Enhancement	HAR2C-Mill A Major Major OH	911,498	252,315
8	Steam Production	Lytal	Reliability & Performance Enhancement	HAR3C- Rpl CT fan deck	898,548	248,730
9	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-SH Header Sealbox Rpl-21240	788,292	218,209
10	Steam Production	Lytal	Reliability & Performance Enhancement	NIC2C-Rpl Blowdown Piping	763,767	211,421
11	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Rewind Exciter Rotor	694,160	192,153
12	Steam Production	Lytal	Environmental Compliance	TOL1C-Rpl Baghouse Bags 2019	693,493	191,968
13	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Upg Foxboro FBMs	653,744	180,965
14	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Rpl L1 Gen End Turb Bld	616,184	170,568
15	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-3051 Transm Rpl Ph 2-20818	599,204	165,867
16	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl HV Gen Bushings	541,452	149,881
17	Steam Production	Lytal	Reliability & Performance Enhancement	TOL0C-W SBAC Overhaul 2018	513,538	142,154
18	Steam Production	Lytal	Reliability & Performance Enhancement	PLX4C-Upg DCS Opr Stn and CP-19956	510,607	141,343
19	Steam Production	Lytal	Reliability & Performance Enhancement	MAD1C-Rpl CT Fans & Gearboxes	484,017	133,982
20	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-HI Upgrd DCS Opr stn	469,418	129,941
21	Steam Production	Lytal	Reliability & Performance Enhancement	JON - Small Routines	658,207	182,200
22	Steam Production	Lytal	Reliability & Performance Enhancement	HAR3C-Rpl CT Mechanicals Ph2	407,521	112,807
23	Steam Production	Lytal	Reliability & Performance Enhancement	TOL - Small Routines	797,179	220,670
24	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl CT Mechanicals Ph3	386,185	106,901
25	Steam Production	Lytal	Reliability & Performance Enhancement	HAR - Small Routines	629,165	174,161
26	Steam Production	Lytal	Reliability & Performance Enhancement	PLX4C-Generator Rewedge	359,814	99,601
27	Steam Production	Lytal	Reliability & Performance Enhancement	PLX4C-Generator Rewedge	352,728	97,640
28	Steam Production	Lytal	Environmental Compliance	HAR1C- Rpl ESP Wires Ph 1 of 2	350,842	97,117
29	Steam Production	Lytal	Reliability & Performance Enhancement	JON1C-Rpl CT Makeup Piping	338,969	93,831
30	Steam Production	Lytal	Reliability & Performance Enhancement	PLX0C-Boiler Road Paving	332,269	91,976
31	Steam Production	Lytal	Reliability & Performance Enhancement	HAR0C-Rpl Paving Phase 4/6	328,336	90,888
32	Steam Production	Lytal	Reliability & Performance Enhancement	NIC - Small Routines	282,808	78,285
33	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Rpl Oil Circ Break JK45-19705	276,190	76,453
34	Steam Production	Lytal	Reliability & Performance Enhancement	MAD1C-Rpl Ct.Fan MCC Breakers	271,253	75,086
35	Steam Production	Lytal	Reliability & Performance Enhancement	JON0C-Rpl Oil Circ Breaker JK10-210	244,673	67,729
36	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl EHC Pump Sys.	231,591	64,107
37	Steam Production	Lytal	Environmental Compliance	HAR2C-Rebag Partial 2019	228,660	63,296
38	Steam Production	Lytal	Environmental Compliance	NIC3C-N3 CEM's Upgrade	203,222	56,254
39	Steam Production	Lytal	Reliability & Performance Enhancement	HAR0C-H0 RR Drainage Imprpt Ph2	199,294	55,167
40	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl Gen Hydrogen Purity Monit	173,906	48,139
41	Steam Production	Lytal	Reliability & Performance Enhancement	HAR3-H3 Rpl CT Pumphouse Roof	158,191	43,789

Southwestern Public Service Company
Energy Supply Capital Additions
April 1, 2019 through August 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	
Line No.	Asset Class	Witness	Project Category	Project Description	Additions to Plant-in-Service Company (April 1, 2019 - August 31, 2019) Total	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
42	Steam Production	Lytal	Reliability & Performance Enhancement	JON2C-Rpl CP's-19973	138,593	38,364
43	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl CT Acid Tank	137,324	38,013
44	Steam Production	Lytal	Reliability & Performance Enhancement	CHC0C-Rpl Waterwell Pmp Mtr	131,847	36,497
45	Steam Production	Lytal	Reliability & Performance Enhancement	MAD - Small Routines	141,592	39,195
46	Steam Production	Lytal	Reliability & Performance Enhancement	PLX4C-Rpl CT north stairway	114,556	31,710
47	Steam Production	Lytal	Reliability & Performance Enhancement	CHC0C-Returb Plant Bathroom	112,468	31,133
48	Steam Production	Lytal	Reliability & Performance Enhancement	CHC - Small Routines	170,958	47,323
49	Steam Production	Lytal	Reliability & Performance Enhancement	HAR1C-Rpl Drag Chain 2019	103,713	28,709
50	Steam Production	Lytal	Reliability & Performance Enhancement	GMS0C - Small Routines	165,321	45,763
51	Steam Production	Lytal	Reliability & Performance Enhancement	PLX - Small Routines	420,474	116,593
52	Steam Production Total				\$ 31,220,031	\$ 8,642,108
53	Other Production	Lytal	New Generation	SPS Wind -Hale County	\$ 684,748,000	\$ 196,440,450
54	Other Production	Lytal	Reliability & Performance Enhancement	CHC3C-Rewind Generator	5,893,440	1,631,380
55	Other Production	Lytal	Reliability & Performance Enhancement	CHC3C-Rpl Compressor	2,768,221	766,279
56	Other Production	Lytal	New Generation	SPS Wind - Sagamore	240,000	66,435
57	Other Production	Lytal	Reliability & Performance Enhancement	MAD3C-Rpl M3 Fire Suppression-21344	195,051	53,993
58	Other Production	Lytal	Reliability & Performance Enhancement	CHC - Small Routines	137,626	38,097
59	Other Production Total				\$ 693,982,338	\$ 198,996,634
60	Electric Transmission	Lytal	New Generation	SPS Wind -Hale County	\$ 27,215,910	\$ 7,807,698
61	Electric Transmission Total				\$ 27,215,910	\$ 7,807,698
62	Electric General	Lytal	Reliability & Performance Enhancement	GSMOC Purchase Vehicles	\$ 200,207	\$ 55,580
63	Electric General	Lytal	Reliability & Performance Enhancement	GMS0C-TX Lab Instruments	61,159	16,979
64	Electric General	Lytal	Reliability & Performance Enhancement	HAR - Small Routines	63,786	17,708
65	Electric General	Lytal	Reliability & Performance Enhancement	MAD - Small Routines	70,625	19,607
66	Electric General	Lytal	Reliability & Performance Enhancement	JON - Small Routines	37,932	10,530
67	Electric General	Lytal	Reliability & Performance Enhancement	NIC - Small Routines	32,821	9,111
68	Electric General	Lytal	Reliability & Performance Enhancement	CHC - Small Routines	13,039	3,620
69	Electric General	Lytal	Reliability & Performance Enhancement	TOL - Small Routines	12,062	3,348
70	Electric General	Lytal	Reliability & Performance Enhancement	PLX - Small Routines	(232)	(64)
71	Electric General Total				\$ 491,398	\$ 136,419
72	Grand Total				\$ 752,909,677	\$ 215,582,860



1800 Larimer Denver, CO 80202

APPENDIX E TO GIA

Commercial Operation Date

June 27, 2019

Tessie Kentner
Managing Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223-4936

Mark Moeller
Manager, Transmission Business Relations
Xcel Energy Services Inc.
414 Nicollet Mall
Minneapolis, MN 55401

Re: Hale Petersburg Wind Generating Facility (GEN-2012-020)

Dear Ms. Kentner and Mr. Moeller:

On **June 27, 2019** Hale Petersburg Wind, LLC ("Hale Petersburg Wind") completed Trial Operation. This letter confirms that Hale Petersburg Wind commenced Commercial Operation of all turbines at the Generating Facility, effective as of **June 28, 2019**.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joe Taylor', written in a cursive style.

Joe Taylor
Manager, Transmission Access
Hale Petersburg Wind, LLC
c/o Xcel Energy Services Inc.
1800 Larimer Street, Suite 1000
Denver, CO 80202
Phone: (303) 571-7462
Email: joseph.c.taylor@xcelenergy.com

Execution Version

PURCHASE AND SALE AGREEMENT

between

ESI ENERGY, LLC,

a Delaware limited liability company

as Seller

and

SOUTHWESTERN PUBLIC SERVICE COMPANY,

a New Mexico corporation

as Buyer

dated as of March 6, 2017

Hale Wind Energy Project

Table of Contents

	Page
Article I DEFINITIONS AND CONSTRUCTION.....	1
Section 1.1 Definitions.....	1
Section 1.2 Rules of Construction	16
Article II PURCHASE AND SALE AND CLOSING	18
Section 2.1 Purchase and Sale	18
Section 2.2 Purchase Price; Initial Payment and Closing Payment	18
Section 2.3 Closing	20
Section 2.4 Closing Deliveries by Seller to Buyer	20
Section 2.5 Closing Deliveries by Buyer to Seller	20
Section 2.6 [Reserved].....	21
Section 2.7 Conditions to Closing	21
Section 2.8 Termination of Agreement.....	25
Section 2.9 Exclusivity	27
Article III REPRESENTATIONS AND WARRANTIES OF SELLER.....	27
Section 3.1 Organization.....	27
Section 3.2 Authority; Enforceability	28
Section 3.3 No Conflicts; Consents and Approvals.....	28
Section 3.4 Legal Proceedings.....	28
Section 3.5 Compliance with Laws	28
Section 3.6 Brokers.....	29
Section 3.7 Prior Acquisitions and Development Agreements.....	29
Article IV REPRESENTATIONS AND WARRANTIES OF SELLER REGARDING THE COMPANY AND THE PROJECT.....	29
Section 4.1 Organization.....	29
Section 4.2 Reserved.....	29
Section 4.3 No Conflicts; Consents and Approvals.....	29
Section 4.4 Capitalization	30
Section 4.5 Business; Purchased Assets	30
Section 4.6 Bank Accounts	32
Section 4.7 Subsidiaries	32
Section 4.8 Legal Proceedings.....	32
Section 4.9 Compliance with Laws	32
Section 4.10 Assets and Liabilities; No Undisclosed Liabilities	32
Section 4.11 Taxes	33
Section 4.12 Regulatory Status.....	35
Section 4.13 Contracts	35
Section 4.14 Real Property	36
Section 4.15 Permits	37
Section 4.16 Environmental Matters.....	38
Section 4.17 Intellectual Property.....	39
Section 4.18 Brokers.....	39

Table of Contents
(continued)

	Page
Section 4.19 Employees and Labor Matters	39
Section 4.20 Employee Benefits	39
Section 4.21 Wind Data	40
Section 4.22 Insurance	40
Section 4.23 No Other Agreements to Sell the Purchased Assets	40
Section 4.24 Books and Records	40
Section 4.25 Studies and Reports.....	40
Section 4.26 Affiliate Transactions.....	40
Section 4.27 Certain Disclaimers.....	40
Article V REPRESENTATIONS AND WARRANTIES OF BUYER.....	41
Section 5.1 Organization.....	41
Section 5.2 Authority; Enforceability	41
Section 5.3 No Conflicts.....	42
Section 5.4 Legal Proceedings.....	42
Section 5.5 Purchase for Investment.....	42
Section 5.6 Brokers.....	42
Section 5.7 Financial Resources	43
Section 5.8 Certain Disclaimers.....	43
Article VI COVENANTS	43
Section 6.1 Books and Records	43
Section 6.2 Transfer Taxes	43
Section 6.3 Tax Matters	44
Section 6.4 Conduct of the Company Prior to Closing.....	45
Section 6.5 Purchased Property	47
Section 6.6 Development Work.....	47
Section 6.7 Purchased Asset Transfer.....	50
Section 6.8 Access to Information.....	50
Section 6.9 Efforts; Consents; Regulatory and Required Seller Approval.....	51
Section 6.10 Notification of Closing	53
Section 6.11 Public Announcements	53
Section 6.12 Transfer of Permits	53
Section 6.13 Further Assurances.....	53
Section 6.14 Schedules	53
Section 6.15 Release	55
Section 6.16 Build Out Restrictions.....	56
Section 6.17 Support Obligations	57
Section 6.18 Wind Data	58
Article VII INDEMNIFICATION, LIMITATIONS OF LIABILITY AND WAIVERS	58
Section 7.1 Survival.....	58
Section 7.2 Indemnification by Seller.....	58
Section 7.3 Indemnification by Buyer	59
Section 7.4 Limitations on Liability	59

Table of Contents
(continued)

	Page
Section 7.5 Procedures for Third Party Claims	61
Section 7.6 Indemnification Procedures	62
Section 7.7 Payments of Indemnity Amounts Payable by Buyer	64
Section 7.8 Payments of Indemnity Amounts Payable by Seller.....	64
Section 7.9 Mitigation; Exclusive Remedy	64
Article VIII MISCELLANEOUS	65
Section 8.1 Notices	65
Section 8.2 Entire Agreement	66
Section 8.3 Expenses	67
Section 8.4 Disclosure	67
Section 8.5 Waiver.....	68
Section 8.6 Amendment.....	68
Section 8.7 No Third Party Beneficiary.....	68
Section 8.8 Assignment; Binding Effect.....	68
Section 8.9 Headings	68
Section 8.10 Invalid Provisions	68
Section 8.11 Counterparts; Facsimile	68
Section 8.12 Governing Law; Venue; and Jurisdiction	69
Section 8.13 Waiver of Remedies; Legal Fees	70
Section 8.14 Specific Performance	71
Section 8.15 Reinstatement.....	71
Section 8.16 Set Off.....	71
Section 8.17 Confidentiality.	71

EXHIBITS

Exhibit A	Form of Company Assignment Agreement
Exhibit B-1	Form of Secretary's Certificate
Exhibit B-2	Form of Incumbency Certificate
Exhibit C	Wind Data License
Exhibit D	Form of Estoppel Agreement
Exhibit E	Lease Amendment
Exhibit F	Form of Resignation

SCHEDULES

1.1-DP	Design Package
1.1-K	Knowledge
1.1-PL	Permitted Liens
1.1-RE	Required Estoppels
2.7(b)(vi)	Liens to be Released
2.7(b)(ix)	Required Consents
3.3(b)	Seller Conflicts
3.3(c)	Seller Conflicts
3.7	Development Agreements
4.3(b)	Company Conflicts
4.5(c)	Purchased Assets
4.5(f)	Meteorological Towers and Equipment
4.6	Bank Accounts
4.8	Legal Proceedings
4.10	Unaudited Balance Sheet
4.11	Taxes
4.13(a)	Purchased Contracts
4.13(b)	Support Obligations
4.13(g)	Shared Contracts
4.14(a)	Land Contracts
4.14(d)	Exceptions to Section 4.14(d)
4.14(e)	Exceptions to Section 4.14(e)
4.14(g)	Zoning
4.14(l)	Sufficiency of Land Contracts
4.15	Permits
4.15(d)	Notice or Consent with respect to Permits
4.16	Environmental Matters
4.17	Intellectual Property
4.21	Wind Data
4.22	Insurance
4.25(a)	Reports
4.25(b)	Material Reports

4.26	Affiliate Transactions
6.4	Buyer's Consent Individuals
6.6	Uncompleted Development Work
PND	Primavera Network Diagram

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement, dated as of March 6, 2017 (this “*Agreement*”), is between ESI Energy, LLC, a Delaware limited liability company (“*Seller*”), and Southwestern Public Service Company, a New Mexico corporation (“*Buyer*”).

WITNESSETH:

WHEREAS, Hale Petersburg Wind, LLC, a Delaware limited liability company (the “*Company*”), is developing the approximately 478 megawatt target nameplate capacity wind farm known as the Hale Wind Energy Project located in Hale County, Texas (the “*Project*”);

WHEREAS, the Company is a direct, wholly-owned subsidiary of Seller; and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Shares (as defined below) on the Closing Date (as defined below) on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and agreements in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following capitalized terms have the meanings set forth below:

“*1933 Act*” means the Securities Act of 1933, as amended.

“*Action*” means any legal, administrative, arbitral, mediation or other alternative dispute resolution procedure or other action, proceeding, claim, assessment, audit, inquiry or similar investigation before any court, arbitrator or other Governmental Authority, in all cases whether in law or in equity.

“*Affiliate*” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person. For purposes of this definition, “control” of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether through ownership of voting securities or ownership interests, by Contract or otherwise.

“*Agreement*” is defined in the introduction to this Agreement.

“*ALTA*” means the American Land Title Association.

“**Assets**” of any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible and wherever situated), including the related goodwill, which assets and properties are operated, owned or leased by such Person.

“**Bankruptcy Event**” shall be deemed to occur, with respect to any Person, if (a) that Person shall commence any case, proceeding or other voluntary action seeking to have an order for relief entered with respect to it, or seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, arrangement, adjustment, winding-up, reorganization, dissolution, composition under the Bankruptcy Law or other relief with respect to it or its debts, (b) such Person shall apply for, or consent or acquiesce to, the appointment of, a receiver, administrator, administrative receiver, liquidator, sequestrator, trustee or other official with similar powers for itself or any substantial part of its assets, (c) such Person shall make a general assignment for the benefit of its creditors, (d) an involuntary case shall be commenced seeking liquidation or reorganization of such Person under the Bankruptcy Law, or seeking issuance of a warrant of attachment, execution or distraint, or any similar proceedings shall be commenced against such Person under any other applicable law and (i) such Person consents to the institution of the involuntary case against it, (ii) the petition commencing the involuntary case is not timely controverted, (iii) the petition commencing the involuntary case is not dismissed within 45 days of its filing, (iv) an interim trustee is appointed to take possession of all or a portion of the property, and/or to operate all or any part of the business of such Person and such appointment is not vacated within 45 days, or (v) an order for relief shall have been issued or entered therein, (e) a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, administrator, administrative receiver, liquidator, sequestrator, trustee or other official having similar powers, over such Person or all or a part of its property shall have been entered, (f) any other similar relief shall be granted against such Person under any applicable Bankruptcy Law, or such Person shall file a petition or consent or shall otherwise institute any similar proceeding under any other applicable law, or shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in any of the acts set forth above in this definition, or (g) such Person shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

“**Bankruptcy Law**” means Title 11, United States Code, and any other existing or future law (or any successor law or statute) of any jurisdiction, domestic (including state and federal) or foreign, relating to bankruptcy, insolvency, reorganization, conservatorship, moratorium or similar law for the relief of debtors.

“**Beginning of Construction Guidance**” means solely the guidance issued by the Internal Revenue Service in Notice 2013-29, as clarified by Notice 2013-60, Notice 2014-46, Notice 2015-25, Notice 2016-31 and Notice 2017-04, but not including, for the avoidance of doubt, any amendment thereof or successor thereto.

“**Benefit Plan**” means (a) “*employee benefit plan*,” as such term is defined in Section 3(3) of ERISA, (b) each plan that would be an employee benefit plan if it was subject to ERISA, such as plans for directors, (c) each bonus, deferred compensation, equity or incentive compensation plan, (d) each employment, consulting, severance pay, change in control or other

plan, arrangement, policy or commitment and (e) any holiday, vacation or personal time-off practice or workers compensation plan or program.

“Bonita Approval” means the situation where “Company” has either obtained “State Regulatory Approval” or otherwise waived its rights, or is deemed to have waived its rights, to terminate the Bonita PPA in accordance with section 6.1 of the Bonita PPA. For purposes of this definition, the terms “Company” and “State Regulatory Approval” will have the meanings given to such terms in the Bonita PPA on the date hereof.

“Bonita Elective Termination Waiver” means the “Company” has waived, or is deemed to have waived, its rights to terminate the Bonita PPA pursuant to section 6.2 of the Bonita PPA. For purposes of this definition, the term “Company” will have the meaning given to such term in the Bonita PPA on the date hereof.

“Bonita PPA” means that certain Wind Energy Purchase Agreement, dated March 6, 2017, between Southwestern Public Service Company and Bonita Wind Energy, LLC.

“Bonita Regulatory Termination” means the termination of the Bonita PPA pursuant to section 6.1 of the Bonita PPA.

“Books and Records” means any and all documents, reports, studies, external, material correspondence, maps, surveys, and other business records necessary or useful to the Business that are generated or obtained by Seller or the Company.

“Business” means the development of the Project by the Company, including the Development Work.

“Business Day” means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

“Buyer” is defined in the introduction to this Agreement.

“Buyer Group” is defined in Section 7.2.

“Buyer’s Regulatory Approval” means the following approvals, if requested by Buyer pursuant to this Agreement, from the following Governmental Authorities on the same terms and conditions requested by Buyer (including in each case subject to any supplement or other modifications to any such request as contemplated by Section 6.9(b)) and any additional terms and conditions reasonably satisfactory to Buyer: (a) the written approval of the NMPRC and the PUCT for Buyer, or Affiliate of Buyer, to acquire (*e.g.*, purchase), own, construct, operate, and maintain the Project, and for Buyer or its Affiliate to recover the costs of the Project for the period between the date the Project begins commercial operation and the date the costs of the Project are included in Buyer’s rates; and (b) the NMPRC’s and the PUCT’s approval of any affiliated transaction approvals requested by Buyer.

“Buyer Released Parties” is defined in Section 6.15(a).

“Buyer Releasing Parties” is defined in Section 6.15(b).

“**Claim**” means any demand, claim or Action.

“**Closing**” means the closing of the transactions contemplated by this Agreement, as provided for in Section 2.3.

“**Closing Date**” means the date on which Closing occurs.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commercially Reasonable Efforts**” means efforts that are designed to enable a Party to satisfy a matter relating to, or condition contemplated by, this Agreement and which do not require the performing Party to expend any funds or assume liabilities other than expenditures and liabilities which are customary and reasonable in nature and amount in the context of such matter or condition.

“**Company**” is defined in the recitals to this Agreement.

“**Company Assignment Agreement**” means an assignment and transfer of the Shares, substantially in the form annexed as **Exhibit A**.

“**Confidentiality Agreement**” means the mutual confidentiality agreement, dated January 30, 2017, among NextEra Energy Resources Acquisitions, LLC, a Delaware limited liability company, Buyer and Vestas – American Wind Technology, Inc., a California corporation.

“**Consent**” means a consent, approval, authorization, waiver, filing, notice, registration, declaration or similar action of, with or by any Person.

“**Construction Ready**” means that (a) the Development Work shall have been completed by Seller pursuant to Section 6.6 (except as set forth in Schedule 6.6 and any other aspects of the Development Work that Buyer has, in each case in its sole discretion, waived in writing or agreed with Seller in writing would be performed by Seller or Buyer, in either case at Seller’s cost, after Closing), (b) the representations and warranties set forth in Section 4.5(c) shall be true and correct in all respects and (c) except as set forth in Schedule 6.6, the Company has ownership of, or the right to use, all Assets and Permits necessary to enable a Sufficient Project to be acquired, located, developed, constructed, installed, interconnected, completed, operated and maintained on the Site (other than non-discretionary ministerial Permits that are not necessary prior to Closing).

“**Continuing Support Instrument**” is defined in Section 6.171.01(c)(i).

“**Continuing Support Obligation**” is defined in Section 6.171.01(c).

“**Contract**” means any legally binding contract, agreement, lease, license, evidence of Indebtedness, mortgage, indenture, purchase order, binding bid, letter of credit, security agreement or other legally binding commitments, arrangements, undertakings or understandings, whether oral or written, but excludes Governmental Approvals.

“**Contracting Parties**” is defined in Section 8.13.

“**Data Site**” means the electronic documentation site established in connection with the transactions contemplated by this Agreement.

“**Default**” means, with respect to any Person, any circumstance, event or condition that would constitute, with or without notice or the passage of time or both, a violation, breach, default, or give rise to any right of termination, cancellation, prepayment, suspension, limitation, revocation, purchase, re-purchase or acceleration.

“**Designated Representations**” means the representations and warranties contained in Section 3.1 (Organization), Section 3.2 (Authority; Enforceability), Section 3.3(a) (No Conflicts with Organizational Documents), Section 3.6 (Brokers), Section 4.1 (Organization), , Section 4.3(a) (No Conflicts with Organizational Documents), Section 4.4 (Capitalization), Section 4.7 (Subsidiaries), Section 4.11 (Taxes), Section 4.18 (Brokers), Section 4.20 (Employee Benefits), Section 5.1 (Organization), Section 5.2 (Authority; Enforceability), Section 5.3(a) (No Conflicts with Organizational Documents), and Section 5.6 (Brokers).

“**Design Package**” is set forth in Schedule 1.1–DP.

“**Development Work**” is defined in Section 6.6.

“**Dispute Notice**” is defined in Section 7.6(b).

“**Environmental Claim**” means any Claim or Loss arising out of or related to Hazardous Materials, environmental or workplace contamination or pollution, or any violation or alleged violation of Environmental Law.

“**Environmental Law**” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 through 2629; the Oil Pollution Act, 33 U.S.C. § 2701 et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Bald and Golden Eagle Protection Act (16 U.S.C. §§ 668–668d); the Migratory Bird Treaty Act (16 U.S.C. §§ 703–712); the Safe Drinking Water Act, 42 U.S.C. §§ 300f through 300j; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; and all other Laws (including implementing regulations promulgated pursuant thereto) of any Governmental Authority having jurisdiction over the assets in question addressing pollution control or protection of Protected Species, the environment, wildlife, plants, natural resources, or human health, each as amended from time to time.

“**EPC Permits**” is defined in Section 6.6(a).

“**Equity Interests**” means capital stock, partnership, membership or trust interests, shares or units (whether general or limited), and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing entity.

“**Equity Securities**” means (a) Equity Interests, (b) subscriptions, calls, warrants, options or commitments of any kind or character relating to, or entitling any Person to acquire, any Equity Interests, and (c) securities convertible into or exercisable or exchangeable for Equity Interests.

“**ERISA**” means the Employee Retirement Income Security Act of 1974.

“**Excluded Liabilities**” means (a) any Liabilities relating to the Project or any present or former developer, owner or operator of the Project incurred prior to the Closing Date whether fixed, contingent or otherwise, known or unknown, (b) any Liability for Taxes of the Company or Seller to the extent attributable to any Pre-Closing Tax Period, (c) any Liability of the Company or Seller for costs and expenses incurred for the purpose of executing and performing this Agreement and the transactions contemplated hereby, and (d) any Liability under the Land Contracts, Permits, Permit applications or Contracts to which the Company is a party at Closing to the extent, with respect to each of (a) and (d), such Liability, but for Default by Seller or the Company or a waiver or extension given to or by Seller or the Company, would or should have been paid, performed or otherwise discharged on or prior to the Closing Date or to the extent such Liability arises out of any such Default, waiver or extension given to or by Seller or the Company.

“**Exclusivity Period**” is defined in Section 2.9.

“**Final Order**” means a final order of a court of competent jurisdiction, (a) from which there is no right of appeal to a higher court or (b) all applicable time periods during which an appeal may be made have expired.

“**Final Site Plan**” is defined in Section 6.6(1).

“**FPA**” means the Federal Power Act, as amended.

“**Fraud**” means a willful and intentional misrepresentation of material facts which constitutes common law fraud under the Laws of the State of New York.

“**GAAP**” means generally accepted accounting principles in the United States of America.

“**Generator Interconnection Agreement**” means that certain Interconnection Agreement (GEN-2012-020), dated May 29, 2014, among Hale Wind Energy, LLC, SPP, and Southwestern Public Service Company.

“**Governmental Approval**” means licenses, permits, certificates of authority, authorizations, approvals, registrations, franchises and similar consents and orders issued or granted by a Governmental Authority.

“**Governmental Authority**” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States or any state, county, city or other political subdivision or similar governing entity, and including any governmental, quasi-

governmental or non-governmental body administering, regulating or having general oversight over natural gas, electricity, power or other markets.

“Hazardous Material” means any substance, pollutant, contaminant, chemical, material or waste that is regulated under any Environmental Law, or which is deemed or may be deemed hazardous, dangerous, damaging or toxic to living things or the environment, and shall include, without limitation, any flammable, explosive, or radioactive materials, hazardous materials, radioactive wastes, hazardous wastes, hazardous or toxic substances or related materials, polychlorinated biphenyls, petroleum products, fractions and by-products thereof, radon; asbestos and asbestos-containing materials, medical waste, solid waste, and any excavated soil, debris, or groundwater that is contaminated with such materials.

“IE Threshold” is defined in Section 6.14.

“Implement” or **“Implemented”** means to own, develop, construct, finance, operate and/or maintain.

“Indebtedness” means any of the following: (a) any indebtedness for borrowed money, (b) any obligations evidenced by bonds, debentures, notes or other similar instruments, (c) any obligations to pay the deferred purchase price of property or services, except trade accounts payable and other current liabilities arising in the Ordinary Course of Business, (d) any obligations as lessee under capitalized Leases, (e) any obligations, contingent or otherwise, under acceptance, letters of credit or similar facilities, and (f) any guaranty of any of the foregoing.

“Indemnified Party” means a Person entitled to be indemnified by another Person pursuant to the terms of this Agreement.

“Indemnifying Party” means a Person required to indemnify another Person pursuant to the terms of this Agreement.

“Indemnity Amount Payable” means any Indemnity Claim Amount which has become an Indemnity Amount Payable in accordance with Article VII, plus interest on such Indemnity Claim Amount at the Interest Rate from the date that is thirty (30) days after it becomes an Indemnity Amount Payable.

“Indemnity Cap” means an amount equal to twenty-five million four hundred sixty-eight thousand dollars (\$25,468,000).

“Indemnity Claim” means any claim made for indemnification in accordance with Article VII.

“Indemnity Claim Amount” means the amount of Losses claimed in any Notice of Claim, which amount, if not finally determined, may be a good faith estimate of the Losses that may be subject to indemnification pursuant to this Agreement.

“Indemnity Exception” is defined in Section 6.14.

“Initial Payment” is defined in Section 2.2(b).

“Intellectual Property” means the following intellectual property rights, both statutory and common law rights, if applicable, to the extent relating to the Project: (a) copyrights, registrations and applications for registration thereof, (b) trademarks, service marks, trade names, slogans, domain names, logos, trade dress, and registrations and applications for registrations thereof, (c) patents, as well as any reissued and reexamined patents and extensions corresponding to the patents, and any patent applications, as well as any related continuation, continuation in part and divisional applications and patents issuing therefrom, and (d) trade secrets and confidential information, including ideas, designs, concepts, compilations of information, methods, techniques, procedures, processes and other know-how, whether or not patentable.

“Interest Rate” means the higher of (a) a rate of interest per annum equal to the prime rate (as published in the Wall Street Journal) as in effect from time to time plus fifty (50) basis points and (b) a rate of interest per annum equal to eight percent (8%).

“Knowledge” means, when used in a particular representation in this Agreement with respect to Seller, the actual knowledge of the individuals listed on Schedule 1.1–K together with such knowledge as such individuals should reasonably have obtained in the ordinary course of their duties.

“Land Contracts” means the Project Leases and all separate options, easements and licenses (other than the Project Leases) executed for purposes of providing the Company or, with respect to the Purchased Assets, an Affiliate of Seller with rights in the nature of an option, easement or license in real property, as amended, modified and/or supplemented to date, individually or collectively as the context requires.

“Laws” means all laws, statutes, rules, regulations, ordinances, orders, decrees, court decisions, and other pronouncements having the effect of law of any Governmental Authority.

“Lease Amendment” means an amendment to a Project Lease substantially in the form attached hereto as Exhibit E or such other form that is acceptable to Buyer in its reasonable discretion.

“Leases” means all leases, subleases, easements, rights to occupy or use and other arrangements with respect to real property, including, in each case, all amendments, modifications and supplements thereto and waivers and Consents thereunder.

“Liability” means all debts, liabilities, obligations, Contracts and commitments, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated, due or to become due, whenever or however arising (including, whether arising out of any Contract or tort based on negligence, strict liability or otherwise).

“Lien” means, with respect to any property or other assets of a Person, any lien, charge, claim, community property interest, pledge, mortgage, hypothecation, condition, equitable interest, option, security agreement, deed of trust, encumbrance, easement, encroachment, license, sublicense, right of first refusal, right of first offer, or other restriction of any kind, including any restrictions on use, voting, transfer receipt of income or exercise of any other attribute of ownership.

“**Loss**” means any and all actual losses, Liabilities, amounts paid in settlement, damages, fines, penalties, costs, charges, Taxes, obligations, demands, fees, interest, and expenses (including court costs and reasonable fees of attorneys, accountants and other experts in connection with any Claim).

“**Material Adverse Effect**” means an event, change, occurrence, circumstance, condition, development or effect, which, individually or when taken together with the effect of all other events, changes, occurrences, circumstances, conditions, developments or effects has had or would reasonably be expected to have a material adverse effect on the business, assets, properties, liabilities, condition (financial or otherwise) of the Project or the Company; provided, however, that the following will not be considered when determining whether a Material Adverse Effect has occurred: any event, change, occurrence, circumstance, condition, development or effect (or events, changes, occurrences, circumstances, conditions, developments or effects taken together) resulting from (a) any change generally affecting the international, national or regional electric generating, transmission or distribution industry, (b) any change generally affecting the international, national or regional wholesale or retail markets for electric power, (c) any change generally affecting the wind-generated energy business generally, except to the extent such effect has a materially disproportionate effect on the Company as compared to other similarly situated wind development projects, (d) any change in general regulatory or political conditions, including any engagements of hostilities, acts of war or terrorist activities or changes imposed by a Governmental Authority associated with additional security, (e) any change in any Laws (including Environmental Law), GAAP or industry standards, (f) any change in the financial condition, prospects, or results of operation of the Company caused solely by the sale of the Company to Buyer from Seller, (g) any change in the financial, banking, or securities markets (including any suspension of trading in, or limitation on prices for, securities on the New York Stock Exchange, American Stock Exchange, or Nasdaq Stock Market) or any change in the general national or regional economic or financial conditions, (h) any actions required to be taken pursuant to or in accordance with this Agreement, or (i) the announcement of the execution of this Agreement or the sale of the Project, or the pendency of or consummation of the transactions contemplated hereby, including any termination of, reduction in or similar negative impact on relationships, contractual or otherwise, with any customers, suppliers, distributors, partners or employees of the Company, to the extent due to the announcement and performance of this Agreement or the identity of Buyer, or the consummation of the transactions contemplated hereby. For the avoidance of doubt, any change in the business, financial condition, prospects, or results of operations of Buyer, or any of its Affiliates or any change in any business transaction between Buyer or any of its Affiliates will not be considered when determining whether a Material Adverse Effect has occurred.

“**Material Portion**” means, in the case of a portion of the Project, either (1) a project equal to or greater than 150 MW or (2) a project that, when combined with all other portions of the Project in respect of which a notice to proceed has been issued under a balance of plant contract, engineering procurement and construction contract or similar agreement, equals or exceeds 200 MW.

“**Material Reports**” means the reports listed on Schedule 4.25(b).

“**Mineral Rights**” means all mineral or subsurface rights or interests affecting or encumbering the Real Property Interests or any portion thereof.

“**NMPRC**” means the New Mexico Public Regulation Commission or any successor agency thereto.

“**Nonparty Affiliates**” is defined in Section 8.13.

“**Notice of Claim**” means a notice by one Party to the other of a claim for indemnification in accordance with Article VII.

“**Objection**” is defined in Section 2.7(d)(i).

“**Ordinary Course of Business**” means, with respect to any Person, its ordinary course of business consistent with its past practice to the extent such practices are consistent with Prudent Wind Industry Practices.

“**Organizational Documents**” means, with respect to any Person, the articles or certificate of incorporation or organization and by-laws, the limited partnership agreement, the partnership agreement or the limited liability company agreement, member control agreement, trust agreement, or other organizational documents of such Person, including (a) any shareholder, voting trust or similar Contract and (b) any that are required to be registered or kept in the place of incorporation, organization or formation of such Person and which establish the legal personality or governance of such Person and all authorizing consents, minutes, resolutions, powers of attorney and other similar organizational records of such Person in connection with any of the foregoing.

“**Other Seller Entity**” or “**Other Seller Entities**” means, with respect to Seller each Person that is (a) a direct or indirect Affiliate of Seller or (b) directly or indirectly twenty percent (20%) or more owned by Seller, an Affiliate of Seller, or any combination of Seller or Affiliates of Seller, assuming for purposes of this test that any and all options, warrants and other rights held directly or indirectly by Seller or any Affiliate of Seller and convertible or potentially convertible into an equity interest in such Person have been exercised or converted, as applicable.

“**Parties**” means collectively, Buyer and Seller.

“**Permits**” means those Governmental Approvals set forth on Schedule 4.15.

“**Permitted Lien**” means (a) any Lien for Taxes not yet due and payable, (b) any Lien that, individually or in the aggregate, (i) is of a nature commonly existing with respect to properties of a similar character and (ii) does not interfere in any material respect with the Company’s ability to locate, interconnect, erect, construct, operate and maintain, on the Site, a Sufficient Project, (c) the terms and conditions of the Purchased Contracts and the Permits listed on Part I of Schedule 4.15, (d) any Lien that is (or will be) released on or prior to Closing, (e) restrictions on transfer of the Equity Interests of the Company under any applicable securities Law or the Organizational Documents of the Company, (f) (i) as of any date prior to the Closing Date, any Lien identified in any Title Commitment delivered to Buyer, and (ii) as of the Closing

Date and any date thereafter, any Lien identified in any Title Commitment reasonably satisfactory to Buyer in accordance with Section 2.7(d), (g) subject to Section 2.8(a)(v), any Mineral Rights (i) that individually or in the aggregate would not reasonably be expected to currently interfere in any material respect with the Company's ability to locate, interconnect, erect, construct, operate and maintain, on the Site, a Sufficient Project, provided that if Buyer has not exercised its termination right in accordance with Section 2.8(a)(v) such Mineral Rights shall be deemed *not* to currently interfere in any material respect with the Company's ability to locate, interconnect, erect, construct, operate and maintain, on the Site, a Sufficient Project and (ii) with respect to which the Title Company is willing to issue all endorsements related thereto required for the Proforma Title Policy, (h) any other Lien created or permitted with the written consent of Buyer in its sole discretion, (i) the matters identified on Schedule 1.1-PL, and (j) any exception to title appearing on the Title Commitment or Survey which is not identified by Buyer as an Objection in the manner and in the timeframe described in Section 2.7(d)(i).

"Person" means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association or Governmental Authority.

"Pre-Closing Asset Transfer" is defined in Section 6.7.

"Pre-Closing Tax Period" means (a) all Tax periods ending on or before the Closing Date and (b) the portion of any Straddle Period ending on the Closing Date.

"Production Tax Credits" has the meaning set forth in Section 45 of the Code.

"Proforma Title Policy" means a pro forma Texas Form T-1 Owner's Policy of Title Insurance, committing to insure the Real Property Interests in the amount of the fair market value of the Project or other amount specified by Buyer and issued by the Title Company, subject only to the Permitted Liens and otherwise in form and substance satisfactory to Buyer and providing for full extended coverage over all general title exceptions contained in such policy and the following special endorsements: owner's comprehensive, zoning, survey, access, contiguity, non-imputation, tax parcel, subdivision, deletion of mandatory arbitration, location, environmental, utility facility, development of minerals, successor-in-interest and Sears endorsement and all applicable ALTA 36 Series energy project-specific endorsements and any other endorsements reasonably requested by Buyer and such additional affirmative coverage as Buyer may reasonably request, in each case, that is available in the State of Texas.

"Project" is defined in the recitals to this Agreement.

"Project Leases" means all Leases of real property with respect to the Project, including but not limited to (a) wind Leases or easements executed in favor of the Company or an Affiliate of Seller for purposes of creating a leasehold and/or easement interest in such real property, (b) easements for collection cable, crane path and access road routes executed in favor of the Company or Seller, and (c) electrical transmission line easement or access easement or right-of-way in favor of the Company or an Affiliate of Seller.

"Property Tax Agreements" means (i) the Tax Abatement Agreement between the County of Hale, Texas and Hale Wind Energy, LLC dated May 23, 2016, and (ii) the Agreement

for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes between Petersburg Independent School District and Hale Wind Energy, LLC dated November 17, 2016, in each case, as made available on the Data Site as of the date hereof.

“Protected Species” means all species and their associated habitat protected by the Endangered Species Act, 16 U.S.C. § 1531 et seq., the Migratory Bird Treaty Act 16 U.S.C § 703 et seq., the Bald and Golden Eagle Protection Act 16 U.S.C § 668 et seq., and applicable state and local counterparts, and their implementing regulations and guidance documents, each as amended from time to time.

“Prudent Wind Industry Practices” means the practices, methods and acts engaged in or approved by a significant portion of the wind power industry in the United States in respect of the design, development, construction, commissioning, maintenance, financing, and operation of wind power energy generation facilities of comparable type and complexity to the Project that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with applicable Laws, regulations, codes, standards, equipment manufacturer’s recommendations, reliability, safety, environmental protection, economy and expedition. “Prudent Wind Industry Practices” does not necessarily mean the best practice, method, or standard of care, skill, safety and diligence in all cases, but is instead intended to encompass a range of acceptable practices, methods and standards.

“PUCT” means the Public Utility Commission of Texas or any successor agency thereto.

“PUHCA” means the Public Utility Holding Company Act of 2005, as amended.

“Punchlist Holdback” is defined in Section 2.2(c).

“Punchlist Items” is defined in Section 2.7(b)(ii).

“Punchlist Items Terms and Conditions” is defined in Section 2.7(b)(ii).

“Purchased Assets” is defined in Section 4.5(d).

“Purchase Price” is defined in Section 2.2(a).

“Purchased Contracts” is defined in Section 4.13(a).

“Purchased Property” is defined in Section 6.5.

“Real Property Interests” means the real property interests created under the Land Contracts and, if applicable, the Purchased Property.

“Related Parties” is defined in Section 6.15(c)(ii).

“Release” means any release, spill, emission, leaking, pumping, injection, deposit, pouring, emptying, leaching, dumping, disposal or discharge of any Hazardous Materials into the environment or workplace, and otherwise as defined in any Environmental Law.

“**Released Claims**” is defined in Section 6.15(c)(i).

“**Reports**” is defined in Section 4.25.

“**Representatives**” means, as to any Person, its officers, directors, shareholders, partners, members, owners, employees, counsel, accountants, financial advisors, consultants, agents and other representatives.

“**Required Consents**” is defined in Section 2.7(b)(ix).

“**Required Estoppels**” is defined in Section 2.7(b)(xiii).

“**Required Update Schedules**” means each of Schedule 2.7(b)(ix) (Required Consents), Schedule 4.5(f) (Meteorological Towers and Equipment), Schedule 4.10 (Unaudited Balance Sheet), Schedule 4.13(a) (Purchased Contracts), Schedule 4.13(b) (Support Obligations), Schedule 4.14(a) (Land Contracts), Schedule 4.14(g) (Zoning), Schedule 4.15 (Permits), Schedule 4.16 (Environmental Matters), Schedule 4.21 (Wind Data), Schedule 4.25(a) (Reports), Schedule 1.1-DP (Design Package), and Schedule PND (Primavera Network Diagram).

“**Schedules**” means the disclosure schedules for this Agreement delivered pursuant to Section 6.14.

“**Scope of Work**” means the work described in, or that would in the Ordinary Course of Business be expected to be completed to achieve the work described in (a) Schedule 1.1-DP, as the same is updated from time to time in accordance with Section 6.14, (b) Schedule PND, as the same is updated from time to time in accordance with Section 6.14 and (c) Section 6.6.

“**Seller**” is defined in the introduction to this Agreement.

“**Seller Group**” is defined in Section 7.3.

“**Seller Released Parties**” is defined in Section 6.15(b).

“**Seller Releasing Parties**” is defined in Section 6.15(a).

“**Shared Contracts**” is defined in Section 4.13(g).

“**Shares**” means one hundred percent (100%) of the Equity Interests in the Company.

“**Site**” means the site on which the Project will be constructed in Hale County, Texas and Floyd County, Texas with a targeted nameplate capacity of at least 478 megawatts, which Site, as of the Closing Date, consists of the Real Property Interests.

“**Special Damages**” is defined in Section 8.12(c).

“**SPP**” means the Southwest Power Pool, Inc., or its successors.

“**Straddle Period**” means a taxable period beginning before and ending after the Closing Date.

“Subsequent Wind Farm” means any wind farm of which any wind turbine included in such wind farm is located within (a) five (5) miles in front of any wind turbine included in the Project, as measured from the prevailing wind direction, with such wind direction being the angles between 168 degrees and 281 degrees north (with north being zero degrees), or (b) within two (2) miles of any wind turbine included in the Project in all other directions.

“Sufficient Project” means a Construction Ready Project (that shall have incorporated the Scope of Work) and includes a total of approximately two hundred thirty nine (239) two (2) megawatt wind turbines with an aggregate nameplate capacity of not less than 478 megawatts such wind turbines to be sited in a reasonably contiguous manner on the Real Property Interests, fifteen (15) alternate sites on the Real Property Interests for wind turbines that are reasonably contiguous to such planned turbine sites, in each case, consistent with and in accordance with all Laws, the Buyer’s Regulatory Approval and Prudent Wind Industry Practices, and the ability to locate each of the following on the Real Property Interests in no particular manner: substations, collection circuits, an operations and maintenance building, transmission lines (that can service the Project), and other windpower-related facilities, in each case, consistent with and in accordance with all Laws, the Buyer’s Regulatory Approval and Prudent Wind Industry Practices, and reasonably sufficient legal and physical access to and among the Real Property Interests, in each case, consistent with and in accordance with all Laws, the Buyer’s Regulatory Approval and Prudent Wind Industry Practices.

“Support Obligations” means, collectively, each guaranty, letter of credit, indemnity, escrow, performance or surety bond or similar credit support arrangement issued by or for the account of Seller or any of its respective Affiliates, in relation to the Company or the Project.

“Support Obligor” is defined in Section 6.171.01(a).

“Survey” means a survey of the real property covered by the Land Contracts certified to Buyer and the Title Company, in form and substance reasonably acceptable to Buyer, sufficient for the Title Company to provide survey coverage in any title policy issued in accordance with the Proforma Title Policy, and in compliance with the “2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys” jointly established and adopted by ALTA and the National Society of Professional Surveyors effective February 23, 2016 showing and including optional items 1, 3, 4, 7(a), 7(c), 8, 11, 13, 14, 16, 17, 18, 19 and 20 and disclosing the location of all improvements, plottable easements, encroachments, roadways, utility lines, set back lines and other matters shown customarily on such windpark surveys, and showing access affirmatively to public streets and roads, and certified by a surveyor licensed in the State of Texas reasonably satisfactory to the Title Company and Buyer.

“Tax” or **“Taxes”** means any federal, state, local or foreign income, gross receipts, ad valorem, sales and use, employment, social security, disability, occupation, property, severance, value added, transfer, capital stock, excise, withholding, premium, occupation or other taxes, levies or other like assessments, customs, duties, imposts, charges surcharges or fees imposed by or on behalf of any Governmental Authority, including any interest, penalty thereon or addition thereto.

“Tax Authority” means, with respect to any Tax, the governmental entity or political subdivision thereof that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity or subdivision.

“Tax Law Change” means:

(a) a bill has been passed by either house of the United States Congress and, in either case, is reasonably likely to be enacted into law (taking into account for this purpose any direct, written opposition issued, published, announced or otherwise publicly disseminated by the other house of the United States Congress or the Executive Branch);

(b) a bill has been reported by the House Ways and Means Committee or Senate Finance Committee and, in either case, is reasonably likely to be enacted into law (taking into account for this purpose any direct, written opposition issued, published, announced or otherwise publicly disseminated by the other house of Congress or the Executive Branch);

(c) any change in or amendment to the Code or other Federal income tax Law;

(d) the issuance of proposed, temporary, or final Treasury Regulations;

(e) any change in the interpretation of the Code or Treasury Regulations by a controlling decision of the United States Tax Court, United States District Court, United States Court of Appeals or United States Supreme Court; or

(f) any binding guidance, notice, announcement or regulation issued by the Treasury, IRS or any other Governmental Authority that applies to taxpayers generally;

in the case of each of clause (a) through (f) after the date hereof that (x) directly affects the availability or projected amount of, or valuation by Buyer as of the date hereof of, production tax credits or other tax benefits or credits, and (y) Buyer has determined, in its good faith judgment after consultation with tax counsel, will have a material adverse effect on (i) the Project, the Company, (ii) Buyer’s base case economic expectations in respect of the Project or the Company, or (iii) the levelized cost of energy in respect of the Project.

“Tax Return” means any report, form, claim for refund, return, statement or other information (including any amendments) required to be supplied to any Tax Authority with respect to Taxes, including information returns, any amendments thereof or schedule or attachment thereto.

“Third Party Acquisition” is defined in Section 2.9.

“Third Party Claim” is defined in Section 7.5(a).

“Threshold” is defined in Section 7.4(c).

“Title Commitment” means a Texas Form T-7 Commitment for Title Insurance to be prepared by the Title Company and issued to the Company for each parcel of real property covered by the Land Contracts and, if applicable, the Purchased Property, committing to insure the Real Property Interests and showing all Liens disclosed in the official records of Hale County, Texas and Floyd County Texas and that sets out the real estate legal description and the record title holder and also describes all mortgages, judgments, tax liens and other liens, Taxes, estates, life estates and other reservations by will or conveyance, all Liens of record as disclosed in the official records of Hale County, Texas and Floyd County Texas (including easements and government regulations), and other proceedings affecting title (together with a legible copy of all such underlying documents, including all maps and plats).

“Title Company” means Stewart Title Guaranty Company or such other title company as agreed to by the Parties.

“TLC Determination Period” is defined in Section 6.3(b).

“TLC Notice” is defined in Section 6.3(b).

“TLC Termination Notice” is defined in Section 6.3(b).

“Transfer Taxes” means all transfer, sales, use, goods and services, value added, documentary, stamp duty, gross receipts, excise, transfer and conveyance Taxes and other similar Taxes, duties, fees or charges.

“Unknown Claims” is defined in Section 6.15(c)(iii).

“Update” is defined in Section 6.14.

“USFWS” means the United States Fish and Wildlife Service or any successor agency thereto.

“WEG” is defined in Section 6.6(m)(v).

“Wind Data” means any and all wind speed data and other relevant wind characteristics data included, or included by reference, on Schedule 4.21 of this Agreement, or in the possession or control of Seller or any of its Affiliates or Representatives in respect to the Project, along with all supporting documentation.

Section 1.2 Rules of Construction.

(a) All article, section, subsection, schedule and exhibit references used in this Agreement are to articles, sections, subsections, Schedules and exhibits to this Agreement unless otherwise specified. The exhibits and Schedules attached to this Agreement constitute a part of this Agreement and are incorporated in this Agreement for all purposes.

(b) If a term is defined as one part of speech (such as a noun), it will have a corresponding meaning when used as another part of speech (such as a verb). Unless the

context of this Agreement clearly requires otherwise, words importing the masculine gender will include the feminine and neutral genders and vice versa. The words “includes” or “including” will mean “including without limitation,” the words “hereof,” “hereby,” “herein,” “hereunder” and similar terms in this Agreement will refer to this Agreement as a whole and not any particular section or article in which such words appear. The term “will” and “shall” have the same meaning. Any reference to a Law includes any amendment thereof or any successor thereto and any rules and regulations promulgated thereunder. Any reference to a Contract will be to that Contract as it may have been amended, modified, supplemented or restated prior to the date hereof. Currency amounts referenced in this Agreement are in U.S. dollars.

(c) Whenever this Agreement refers to a number of days, such number will refer to calendar days unless Business Days are specified. Whenever any action must be taken hereunder on or by a day that is not a Business Day, then such action may be validly taken on or by the next day that is a Business Day. For determining any period of time, “from” means “including and after,” “to” means “to but excluding” and “through” means “through and including.”

(d) Any representation or warranty contained herein as to the enforceability of a Contract shall be subject to the effect of any bankruptcy, insolvency, reorganization, moratorium or other similar law affecting the enforcement of creditors’ rights generally and to general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(e) Each Party acknowledges that it and its attorneys have been given an equal opportunity to negotiate the terms and conditions of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party or any similar rule operating against the drafter of an agreement will not be applicable to the construction or interpretation of this Agreement.

(f) The Parties shall act reasonably and in accordance with the principles of good faith and fair dealing in the performance of this Agreement. Unless expressly provided otherwise in this Agreement, where this Agreement requires the consent, approval, or similar action by a Party, such consent, approval or similar action shall not be unreasonably withheld, conditioned or delayed.

(g) All accounting terms used herein and not expressly defined herein will have the respective meanings given such terms under GAAP.

(h) Whenever this Agreement states that any document has been “made available,” unless otherwise expressly provided herein, that means the document was available in the Data Site prior to the date such statement is effective (or otherwise delivered to Buyer or any of its Affiliates prior to the date such statement is effective).

ARTICLE II

PURCHASE AND SALE AND CLOSING

Section 2.1 Purchase and Sale. On the terms and subject to the conditions set forth in this Agreement, on the Closing Date, Buyer shall purchase from Seller, and Seller shall sell to Buyer, all of the Shares free and clear of all Liens (other than those restrictions on transfer arising under securities Laws generally or the Organizational Documents of the Company).

Section 2.2 Purchase Price; Initial Payment and Closing Payment.

(a) The purchase price for the purchase and sale described in Section 2.1 shall be an amount equal to seventy-six million four hundred eighty thousand dollars (\$76,480,000) (the “**Purchase Price**”).

(b) Initial Payment.

(i) Unless this Agreement has previously been terminated pursuant to Section 2.8(a)(xiii), Buyer shall pay to Seller by wire transfer of immediately available funds (to such account or accounts as Seller will have notified Buyer of no later than two (2) Business Days prior to the date of such payment) an amount equal to four million seven hundred eighty thousand dollars (\$4,780,000) (the “**Initial Payment**”), payable as follows: (i) two million three hundred ninety thousand dollars (\$2,390,000) on the date that is five (5) Business Days after the last date on which this Agreement may be terminated pursuant to Section 2.8(a)(xiii) (the “**Initial Tranche**”) and (ii) two million three hundred ninety thousand dollars (\$2,390,000) on September 30, 2017 (the “**Final Tranche**”); provided the Final Tranche will not be payable on such date (or any other date) if this Agreement has been terminated pursuant to any of the provisions provided in Section 2.2(b)(ii) below that obligate Seller to reimburse the Initial Payment.

(ii) The Initial Payment shall be non-refundable except that if:

(A) this Agreement has been terminated pursuant to any of (A) Section 2.8(a)(iv), (B) Section 2.8(a)(vi), (C) Section 2.8(a)(vii) (solely if the condition incapable of being fulfilled is Section 2.7(a)(ii)), or (D) Section 2.8(a)(viii) (solely if the condition incapable of being fulfilled is Section 2.7(a)(ii)) and in any such case of (A)-(D) (x) a Bonita Approval has occurred, and (y) a Bonita Elective Termination Waiver has occurred;

(B) (1) this Agreement is terminated prior to the Closing Date pursuant to Section 2.8(a)(iv), Section 2.8(a)(vi), Section 2.8(a)(vii) (solely if the condition incapable of being fulfilled in Section 2.7(a)(ii)), or Section 2.8(a)(viii) (solely if the condition incapable of being fulfilled in Section 2.7(a)(ii)), (2) a Bonita Regulatory Termination has occurred, and (3) (x) prior to January 1, 2021 either (i) Seller consummates the direct or indirect sale, transfer or other disposition of the Company to a third party, (ii) the Company consummates a sale, transfer or other disposition of all or any portion of the Assets comprising the Project (excluding sales, transfers or other dispositions of immaterial portions

of such Assets in the ordinary course of business) to a third party, or (iii) any notice to proceed has been issued under a balance of plant contract, engineering procurement and construction contract, or similar agreement with respect to the Project or any Material Portion thereof, and (y) the underlying agreement(s) or other arrangement(s) pertaining to the applicable event described in the immediately preceding items (3)(x)(i), (ii) or (iii) contemplate initial delivery of energy under the interconnection agreement for the Project (or the Material Portion thereof, as applicable) prior to January 1, 2021; or

(C) This Agreement has been terminated pursuant to any of Section 2.8(a)(ii)(A), Section 2.8(a)(ix), Section 2.8(a)(xv), or Section 2.8(a)(xvii);

then Seller shall, within five (5) Business Days of termination (with respect to clause (A) or clause (C)), or consummation of such sale, transfer or other disposition, or issuance of such notice to proceed, as applicable (with respect to Clause (B)), reimburse Buyer by wire transfer of immediately available funds an amount equal to the full amount of the Initial Payment actually paid to Seller; provided, however, that if, with respect to clause (B), the subject underlying agreements or other arrangement do not contemplate initial delivery of energy under the interconnection agreement for the Project (or the Material Portion thereof, as applicable) prior to January 1, 2021 but initial delivery of energy under the interconnection agreement for the Project (or the Material Portion thereof, as applicable) nonetheless occurs prior to January 1, 2021, then Seller shall within five (5) Business Days of such initial delivery of energy reimburse Buyer by wire transfer of immediately available funds an amount equal to the full amount of the Initial Payment actually paid to Seller.

(c) Closing Payment. At the Closing, Buyer shall pay to Seller by wire transfer of immediately available funds (to such account or accounts as Seller will have notified Buyer of no later than two (2) Business Days prior to the Closing Date) an amount equal to the Purchase Price less (i) the Initial Payment, and (ii) any Purchase Price holdback amount expressly described in Section 2.7(b)(ii) (the “**Punchlist Holdback**”), which Punchlist Holdback shall secure Seller’s completion of all Punchlist Items in accordance with the Punchlist Items Terms and Conditions, and Buyer shall be entitled to set off against the Punchlist Holdback all Losses (but no Losses that would constitute Special Damages) Buyer suffers as a result of Seller’s failure to complete the Punchlist Items in accordance with the Punchlist Items Terms and Conditions, including costs Buyer reasonably incurs completing, or engaging a third party to complete, any Punchlist Items (provided that, unless the Punchlist Items Terms and Conditions provide otherwise, Buyer has provided Seller with written notice of its intention to complete or engage a third party to complete such items and Seller continues to fail to take action to complete such items for a period of seven (7) Business Days thereafter). Unless the Punchlist Items Terms and Conditions provide otherwise, within ten (10) Business Days following the satisfaction in accordance herewith of all Punchlist Items, Buyer shall pay to Seller the Punchlist Holdback (less any amounts set off against such amount as provided above) by wire transfer of immediately available funds to such account or

accounts as Seller will have notified Buyer of no later than two (2) Business Days prior to such date. If there is any conflict between this Agreement and the Punchlist Items Terms and Conditions, the Punchlist Items Terms and Conditions shall control.

(d) Notwithstanding anything herein to the contrary, Seller will retain, and neither Buyer nor the Company shall be obligated to pay, perform or otherwise discharge or be responsible or liable with respect to, Excluded Liabilities.

Section 2.3 Closing. The Closing will take place at the offices of Orrick, Herrington & Sutcliffe LLP, 1301 McKinney Street, Suite 4100, Houston, Texas, or by remote electronic exchange of documents (by facsimile, .pdf, e-mail, or other form of electronic communication) on the later to occur of (a) three (3) Business Days after the date that all of the conditions to the Closing set forth in Section 2.7 (other than those conditions which, by their terms, are to be satisfied or waived at the Closing, but subject to the satisfaction or waiver of such conditions) shall have been satisfied or waived by the Party entitled to waive the same, and shall be effective at the actual time of Closing, or (b) at such other time, place and date as the Parties may agree in writing. All actions listed in Section 2.4 or 2.5 that occur on the Closing Date will be deemed to occur simultaneously at the Closing. The Closing will be deemed to be effective as of 11:59:59 p.m. Central Time on the Closing Date.

Section 2.4 Closing Deliveries by Seller to Buyer. At the Closing, Seller shall deliver to Buyer the following:

- (a) an executed counterpart by Seller of the Company Assignment Agreement and each other ancillary agreement to be executed and delivered at the Closing to which Seller is a party;
- (b) a certification of non-foreign status in the form prescribed by Treasury Regulation Section 1.1445-2(b) with respect to Seller;
- (c) written resignations of all officers and members of the board of managers of the Company substantially in the form attached as **Exhibit F**;
- (d) the Closing deliverables described in Section 2.7(b) below; and
- (e) copies of the Required Consents.

Section 2.5 Closing Deliveries by Buyer to Seller. At the Closing, Buyer shall deliver to Seller the following:

- (a) the Purchase Price in accordance with Section 2.2(c);
- (b) an executed counterpart by Buyer of the Company Assignment Agreement and each other ancillary agreement to be executed and delivered at the Closing to which Buyer is a party; and
- (c) the Closing deliverables described in Section 2.7(c) below.

Section 2.6 [Reserved].

Section 2.7 Conditions to Closing.

(a) The obligations of the Parties to effect the Closing are subject to the satisfaction or written waiver prior to the Closing of the following conditions:

(i) no Person shall have instituted any Actions to impair, restrain, prohibit or otherwise challenge the legality or validity of any of the transactions contemplated herein that has not been dismissed or otherwise resolved in a manner that does not, to the satisfaction of Seller and Buyer, materially adversely affect such transactions, and no Final Order shall be in effect that impairs, restrains, enjoins or otherwise prohibits or makes illegal the consummation of any such transactions;

(ii) the Buyer's Regulatory Approval shall have been obtained; and

(iii) the Permits (other than the Permits disclosed on Schedule 4.15 Part IV and non-discretionary ministerial Permits that are not necessary prior to Closing) in form and substance satisfactory to Seller and Buyer (excluding the Buyer's Regulatory Approval), shall have been obtained and shall be validly issued, in full force and effect, final, and non-appealable.

(b) The obligation of Buyer to effect the Closing is subject to the satisfaction at or before Closing of all of the following conditions, any one or more of which may be waived by Buyer in writing, in Buyer's sole discretion:

(i) subject to Section 6.14, each of the Designated Representations of Seller will be true and correct in all respects, and each of the other representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects (other than such representations and warranties qualified by materiality or Material Adverse Effect, which shall be true and correct in all respects), in each case on and as of the Closing Date as though made on and as of the Closing Date;

(ii) Seller shall have performed and complied with, in all material respects, all covenants and agreements required by this Agreement to be performed, and complied with by Seller on or before the Closing Date; provided, that, to the extent items in Section 6.6 expressly permit the completion thereof after Closing, and so long as a holdback of a portion of the Purchase Price in respect of all such uncompleted items (which holdback amount shall be equal to two (2) times the approximate cost to complete all such items as determined by the Parties in good faith), and the terms and conditions under which such amounts held back will be paid by Buyer to Seller, including the time within which the relevant Punchlist Item shall be completed after the Closing Date, have each been agreed to, in good faith, in writing by the Parties (such writing, the "***Punchlist Items Terms and Conditions***"), Seller shall be entitled to list outstanding and uncompleted items on Schedule 6.6 (such items, the "***Punchlist Items***") and complete such items after Closing;

(iii) Seller shall have delivered to Buyer a certificate from a duly authorized officer of Seller, dated the Closing Date and executed by such officer, in a form acceptable to Buyer, certifying the items in Section 2.7(b)(i), Section 2.7(b)(ii), and Section 2.7(b)(viii);

(iv) Seller shall have delivered (or caused to be delivered) to Buyer, the Closing deliverables described in Section 2.4 above;

(v) Seller shall have delivered to Buyer a Certificate of Good Standing as to the Company and Seller, dated no earlier than five (5) Business Days before the Closing Date;

(vi) Seller shall have delivered to Buyer copies in form and substance acceptable to Buyer of documentation releasing all of the Liens set forth on Schedule 2.7(b)(vi);

(vii) Seller shall have delivered to Buyer certificates, dated the Closing Date and executed by the Secretary of Seller in substantially the form set forth on Exhibit B-1 and Exhibit B-2;

(viii) no Material Adverse Effect shall have occurred since the date of this Agreement;

(ix) Seller shall have obtained those Consents set forth on Schedule 2.7(b)(ix), each of which is in form and substance acceptable to Buyer (the "**Required Consents**");

(x) (A) the Pre-Closing Asset Transfer, if any, shall have been completed by Seller and its Affiliates, as applicable, pursuant to Section 6.7, including obtaining all Consents required to consummate the Pre-Closing Asset Transfer, (B) the Company shall not have sold, transferred or otherwise disposed of any Shares or Purchased Assets, except as otherwise permitted by this Agreement, (C) the Project shall not have suffered any material theft, damage, removal, destruction or casualty Loss of any of the Purchased Assets, and (D) the Shares or Purchased Assets shall not be subject to any Liens other than Permitted Liens;

(xi) Seller shall have complied with the obligations set forth in Section 2.7(d) in all respects and the Title Commitment and the Survey shall be in form and substance satisfactory to Buyer in accordance with Section 2.7(d);

(xii) each of the Required Update Schedules shall have been updated by Seller in a manner consistent with Section 6.14;

(xiii) estoppel letters with respect to each of the Land Contracts listed on Schedule 1.1-RE (the "**Required Estoppels**"), shall have been obtained from the landowners thereunder and delivered to Buyer, which estoppel letters shall be substantially in the form attached hereto as Exhibit D or in such other form as is reasonably acceptable to Buyer;

(xiv) Seller shall have decommissioned and removed all meteorological towers from the Site, in compliance in all material respects with all applicable Contracts (including Land Contracts), applicable Laws and Prudent Wind Industry practices;

(xv) the Project has satisfied, in all respects, the requirements for a Sufficient Project and the Project is Construction Ready;

(xvi) no Tax Law Change shall have occurred except for any Tax Law Change that Buyer has expressly accepted in writing or has been deemed to have accepted pursuant to Section 6.3(b);

(xvii) Seller shall have delivered to Buyer a fully executed Lease Amendment from each Person that is party to any Project Lease; and

(xviii) Seller shall have delivered to Buyer a fully executed amendment for each of the Property Tax Agreements in accordance with Section 6.6(s).

(c) The obligation of Seller to effect the Closing is subject to the satisfaction at or before Closing of all of the following conditions, any one or more of which may be waived by Seller in writing, in Seller's sole discretion:

(i) each of the Designated Representations of Buyer will be true and correct in all respects, and each of the other representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects (other than such representations and warranties qualified by materiality, which shall be true and correct in all respects), in each case on and as of the Closing Date as though made on and as of the Closing Date;

(ii) Buyer shall have performed, and complied with, in all material respects, all covenants and agreements required by this Agreement to be performed, and complied with, by Buyer on or before the Closing Date;

(iii) Buyer shall have delivered to Seller a certificate from a duly authorized officer of Buyer, dated the Closing Date and executed by such officer, in a form acceptable to Seller, certifying the items in Section 2.7(c)(i) and Section 2.7(c)(ii);

(iv) Buyer shall have delivered (or caused to be delivered) to Seller, the Closing deliverables described in Section 2.5 above;

(v) Buyer shall have delivered (or caused to be delivered) to Seller a counterpart of the wind data license agreement in the form attached as **Exhibit C**, duly executed by the Company, effective as of the Closing; and

(vi) Buyer shall have paid the Purchase Price (less the Initial Payment and any Punchlist Holdback) in full to Seller.

(d) Title Commitment; Survey; Title Policy; Required Estoppels.

(i) As soon as reasonably possible after the date hereof, Seller shall deliver, or cause to be delivered, to Buyer the Title Commitment and the Survey. Any matter reflected or referenced on the Title Commitment (including any exception documents) or the Survey which both (x) does not constitute a Permitted Lien under clauses (a), (b), (c), (d), (e), (g), (h) and (i) of the definition of Permitted Lien and (y) is objected to by Buyer (an “**Objection**”), shall be an item that is not satisfactory to Buyer for purposes of Section 2.7(b)(xi). In order to be an Objection hereunder, Buyer must raise any and all such matters in a notice to Seller pursuant to Section 8.1 within thirty (30) days after the date on which Seller has delivered notice to Buyer pursuant to Section 8.1 expressly referencing this Section 2.7(d) and such thirty (30) day response period, and advising Buyer that the last of the Title Commitment or the Survey, as the case may be, has been uploaded to the Date Site (or otherwise delivered to Buyer), and the same shall have been uploaded or delivered, provided that Buyer shall not have any right to raise any such matters as Objection after such thirty (30) day response period. Seller shall use Commercially Reasonable Efforts to cause the cure of Objections in a manner acceptable to Buyer on or before the Closing Date. For the avoidance of doubt, it is understood and agreed that so long as Seller has not breached such agreement to use Commercially Reasonable Efforts to cause such cure of Objections, the failure to cure all such Objections in a manner acceptable to Buyer on or before the Closing Date will not constitute a breach by Seller under this Agreement. Any matter reflected or referenced on the Title Commitment (including any exception documents) or the Survey which either (x) constitutes a Permitted Lien under clauses (a), (b), (c), (d), (e), (g), (h) and (i) of the definition of Permitted Lien, or (y) is not a matter which Buyer has submitted as an Objection in accordance with this Section 2.7(d) shall be an item that is satisfactory to Buyer for purposes of Section 2.7(b)(xi) and Seller shall not be required to cause the cure of the same in order to be in compliance with this covenant or to satisfy the Closing conditions herein. Notwithstanding anything to the contrary in this Agreement, Buyer’s sole and exclusive remedy for a failure of Seller to cure a matter giving rise to an Objection that is not waived by Buyer in its sole discretion shall be to terminate this Agreement pursuant to Section 2.8(a)(iii).

(ii) At Closing, Seller shall cause the Title Company to deliver the Proforma Title Policy (including forms of all required endorsements thereto), and deliver to the Title Company such items as are reasonably necessary for the delivery of a Texas Form T-1 Owner’s Policy of Title Insurance in the form of the Proforma Title Policy, including affidavits necessary for the Title Company to delete any standard exceptions (including, without limitation, the so-called “gap” exception) and as required by the Title Company for any endorsements thereto, but not including any premiums with respect to such Texas Form T-1 Owner’s Policy of Title Insurance and any required endorsements, which shall be Buyer’s obligation hereunder. Buyer shall pay for the Survey and the Title Commitment (and any amendments, updates and supplements thereto) and all recording charges and expenses incurred in connection with recording any Land Contract (or amendments or memoranda thereof) and any curative documents necessary to satisfy the requirements of this Section 2.7(d).

(iii) Prior to Closing, Seller shall, in consultation with Buyer, use Commercially Reasonable Efforts to obtain the Required Estoppels. Seller shall bear all

costs fees or expenses in seeking such Required Estoppels, it being understood that neither Seller nor Buyer shall have any obligation to pay any consideration or to offer to grant, or agree to, any financial accommodation in order to obtain such Required Estoppels. If Buyer has, in connection with the Closing and in its sole discretion, agreed in writing that any Required Estoppels may be obtained following the Closing Date, for at least one (1) year following the Closing Date Seller shall, in consultation with Buyer, use Commercially Reasonable Efforts to obtain the remaining Required Estoppels. Seller shall bear all costs fees or expenses in seeking such remaining Required Estoppels, it being understood that neither Seller nor Buyer shall have any obligation to pay any consideration or to offer to grant, or agree to, any financial accommodation in order to obtain such remaining Required Estoppels.

Section 2.8 Termination of Agreement.

- (a) This Agreement may be terminated before Closing as follows:
- (i) by mutual written consent of the Parties;
 - (ii) (A) by Buyer if Seller suffers a Bankruptcy Event, and (B) by Seller if Buyer suffers a Bankruptcy Event;
 - (iii) by either Party if the Closing shall not have occurred on or prior to June 30, 2018, for any reason whatsoever except to the extent the Closing shall have been delayed by a material breach of this Agreement by the Party seeking to terminate the Agreement;
 - (iv) by Buyer if the Buyer's Regulatory Approval has not been obtained on or prior to March 31, 2018, provided that Buyer shall not have any right to terminate this Agreement pursuant to this clause (iv) more than ten (10) Business Days after such date;
 - (v) notwithstanding the inclusion of Mineral Rights as a Permitted Lien, by Buyer if, on or prior to the date that is thirty (30) days following Buyer's receipt of the last of the Title Commitment or the Survey, Buyer is not satisfied that the Mineral Rights (and the development thereof) individually or in the aggregate would not reasonably be expected to currently interfere in any material respect with the Company's ability to locate, interconnect, erect, construct, operate and maintain, on the Site, a Sufficient Project, provided that Buyer shall not have any right to terminate this Agreement pursuant to this clause (v) after such date;
 - (vi) by Buyer if the Buyer's Regulatory Approval does not contain terms and conditions reasonably satisfactory to Buyer, which termination right must be exercised by Buyer on or prior to the date that is ten (10) Business Days following receipt of the final Buyer's Regulatory Approval and Buyer shall not have any right to terminate this Agreement pursuant to this clause (vi) after such date;
 - (vii) by Buyer if any condition in Section 2.7(a) or Section 2.7(b) becomes incapable of fulfillment at the Closing;

(viii) by Seller, if any condition in Section 2.7(a) or Section 2.7(c) becomes incapable of fulfillment at the Closing;

(ix) by Buyer, in accordance with Section 6.14, if a fact, matter, condition, event or circumstance first disclosed in an Update from Seller has had or would reasonably be expected to have a Material Adverse Effect;

(x) by Seller, in accordance with Section 6.14, after its receipt of an Indemnity Exception above the IE Threshold;

(xi) by Seller if Buyer has not filed or submitted for Buyer Regulatory Approval as described in Section 6.9(b) on or prior to May 1, 2017, provided Seller shall not have any right to terminate this Agreement pursuant to this clause 2.8(a)(xi) prior to such date and after the day that is ten (10) Business Days following such date;

(xii) [reserved];

(xiii) by Seller if this Agreement and the transactions contemplated hereby have not received the requisite approval of Seller's management, on or prior to April 30, 2017; provided, that Seller shall not have any right to terminate this Agreement pursuant to this clause 2.8(a)(xiii) after April 30, 2017;

(xiv) by Buyer following the occurrence of Tax Law Change, subject to Section 6.3(b);

(xv) by Buyer if Seller is in material breach of any provision of this Agreement (or if such provisions are qualified by materiality, then upon any breach); provided, that Buyer (A) has given Seller at least sixty (60) days' prior notice of the violation or breach and Seller has not cured such violation or breach during such sixty (60) day period, and (B) has not waived such condition in writing;

(xvi) by Seller if Buyer is in material breach of any provision of this Agreement (or if such provisions are qualified by materiality, then upon any breach); provided, that Seller (A) has given Buyer at least sixty (60) days' prior notice of the violation or breach and Buyer has not cured such violation or breach during such sixty (60) day period, and (B) has not waived such condition in writing; or

(xvii) by Seller if Buyer, in its capacity as "Company" under, and as defined in, the Bonita PPA, has terminated the Bonita PPA in accordance with section 6.1(C) of the Bonita PPA, provided Seller shall not have any right to terminate this Agreement pursuant to this clause (xvii) more than ten (10) Business Days after such Bonita PPA termination date.

(b) Notwithstanding any term in this Section 2.8, a Party will not have the right to terminate this Agreement if the failure to satisfy any condition to the Closing or consummate the transactions contemplated in this Agreement resulted from the material breach by such Party of any of its representations, warranties, covenants or agreements herein, or if such Party is otherwise in material breach of this Agreement.

(c) In the event of the termination of this Agreement as provided in this Section 2.8, this Agreement shall be of no further force or effect and there shall be no Liability to any Party hereunder in connection with this Agreement or the transactions contemplated by this Agreement; provided, however that, except as provided herein, nothing shall relieve any Party from liability or damages resulting from any breach of this Agreement prior to the effective date of termination; provided, further that the obligations of the Parties set forth in this Section 2.8(c), Section 2.2(b), Section 2.7(d)(ii), Section 4.27, Section 5.8, Section 6.8(a), Section 6.11, and Article VIII (including, in each case, the definitions of the terms set forth in Section 1.1) and the Confidentiality Agreement shall survive any such termination and shall be enforceable hereunder.

Section 2.9 Exclusivity. From and after the date of execution and until Closing or this Agreement is otherwise terminated in accordance with its terms (“**Exclusivity Period**”), Seller and Buyer shall work exclusively with each other in good faith to consummate the transactions contemplated by this Agreement. During the Exclusivity Period, Seller shall not, and will cause its Representatives and Affiliates not to, directly or indirectly, initiate, solicit or respond to the submission of, or enter into any negotiations in respect of, any indication of interest, proposal or offer from any Person relating to any (a) merger or consolidation with or into, (b) except as required to comply with its obligations under this Agreement, any acquisition or purchase of any material Asset of, or any equity or debt interest in, (c) except as otherwise expressly permitted by this Agreement, lease or disposition of any material Asset of or relating to, or (d) similar transaction, business combination or investment involving any portion of, the Company, the Business, the Project or the Shares (any of the transactions described in clauses (a) through (d), a “**Third Party Acquisition**”). For the avoidance of doubt, a Third Party Acquisition shall include any response to a request for proposal, bid or similar request from any Person (including Buyer and its Affiliates) involving any aspect of the Business, the Project, or the Shares. Immediately upon execution of this Agreement, Seller shall, and shall cause its Representatives and Affiliates to, discontinue any and all existing discussions or negotiations with any Person other than Buyer and its Affiliates and Representatives regarding a Third Party Acquisition.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer that each and all of the following representations and warranties set forth in this Article III (as modified by the applicable section of the Schedules, subject to Section 6.14) are true and correct as of the date of this Agreement and as of the Closing Date (except for such representations and warranties that speak as of a specific date, in which case such representations and warranties are true and correct as of such date):

Section 3.1 Organization. Seller is a limited liability company validly existing and in good standing under the Laws of the State of Delaware. Seller is duly qualified or licensed to do business in each other jurisdiction where the actions to be performed by it under this Agreement and the Company Assignment Agreement makes such qualification or licensing necessary, except in those jurisdictions where the failure to be so qualified or licensed would not

have a material adverse effect on Seller's ability to perform its obligations under this Agreement or the Company Assignment Agreement.

Section 3.2 Authority; Enforceability. Seller has all requisite limited liability company power and authority to execute and deliver this Agreement and the Company Assignment Agreement, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and the Company Assignment Agreement, and the performance by Seller of its obligations hereunder and thereunder, have been duly and validly authorized by all necessary limited liability company action. This Agreement has been, and the Company Assignment Agreement when executed will be, duly and validly executed and delivered by Seller and constitutes, or will constitute, as applicable, the legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

Section 3.3 No Conflicts; Consents and Approvals. The execution and delivery by Seller of this Agreement and the Company Assignment Agreement and the performance by Seller of its obligations hereunder and thereunder do not:

(a) result in a violation of or a breach of any of the terms, conditions or provisions of the Organizational Documents of Seller;

(b) except as set forth on Schedule 3.3(b), result in a Default or require Consent (that is required as of any date this representation is made and has not been obtained or made as of such date) under any Contract to which Seller or the Company is a party or by which any of the Purchased Assets or the Company are bound;

(c) except as set forth on Schedule 3.3(c), (i) violate or breach any term or provision of any Law, Governmental Approval or order applicable to Seller or the Company, (ii) require any Consent (that is required as of any date this representation is made and has not been obtained or made as of such date) of any Governmental Authority under any applicable Law, or (iii) result in the creation or imposition of any Lien on Seller or the Company or the Assets of any of the foregoing.

Section 3.4 Legal Proceedings. Seller has not been served with notice of any Claim, no Claim is pending and, to Seller's Knowledge, none is threatened against Seller or the Company, which seeks a writ, judgment, order, injunction or decree restraining, enjoining or otherwise prohibiting or making illegal any of the transactions contemplated under this Agreement or the Company Assignment Agreement.

Section 3.5 Compliance with Laws. Seller and each of its Affiliates (with respect to such Affiliates solely in connection with the Shares, the Company, the Project and the Purchased Assets, but which Affiliates do not include the Company which is instead covered by representations and warranties set forth in Section 4.9) is currently in compliance in all material respects with all Laws and orders of all Governmental Authorities applicable to Seller, the Shares, the Company, the Project or the Purchased Assets.

Section 3.6 Brokers. Seller does not have any liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which Buyer or the Company could become liable or obligated.

Section 3.7 Prior Acquisitions and Development Agreements.

(a) except as set forth on Schedule 3.7, there are no amounts due or that may become due and owing by Seller;

(b) there are no amounts due or that may become due and owing by Buyer or the Company in connection with any prior development or acquisition agreement or related transaction with respect to the Company's development of the Project or acquisition of the Purchased Assets or the Company or with respect to Seller's acquisition of the Project or the Company; and

(c) there are no build-out restrictions, restrictions on competition, change in control restrictions, direct or indirect equity ownership transfer restrictions, rights of first refusal, rights of first offer, or other similar rights that bind Seller in respect of the Company or the Project, the Company or any of the Company's current or future direct or indirect owners.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER REGARDING THE COMPANY AND THE PROJECT

Seller hereby represents and warrants to Buyer that each and all of the following representations and warranties set forth in this Article IV (as modified by the applicable section of the Schedules, subject to Section 6.14) are true and correct as of the date of this Agreement and as of the Closing Date (except for such representations and warranties that speak as of a specific date, in which case such representations and warranties are true and correct as of such date):

Section 4.1 Organization. The Company is a limited liability company validly existing and in good standing under the Laws of the State of Delaware, and has all requisite limited liability company power and authority to conduct its business as it is now being conducted and to own, lease and operate its Assets. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the ownership or operation of its Assets make such qualification or licensing necessary, except in those jurisdictions where the failure to be so duly qualified or licensed would not have a Material Adverse Effect. Seller has made available to Buyer all of the Organizational Documents of the Company as in effect on the date of this Agreement.

Section 4.2 Reserved.

Section 4.3 No Conflicts; Consents and Approvals. The execution and delivery by Seller of this Agreement and the Company Assignment Agreement, the performance by Seller of its obligations hereunder and thereunder and the consummation of the transactions

contemplated hereby and thereby and the taking of any action contemplated to be taken by Seller hereunder or thereunder (including the Pre-Closing Asset Transfer) do not:

(a) result in a violation or breach of any of the terms, conditions or provisions of the Organizational Documents of the Company;

(b) except as set forth on Schedule 4.3(b), (i) violate, breach, or conflict with any term or require any notices or filings for any provision of any Law, Governmental Approval or order applicable to the Company or the Project; (ii) require the Consent (that is required as of any date this representation is made and has not been obtained or made as of such date) of any Governmental Authority under any applicable Law; or (iii) cause a Default, or require the Consent (that is required as of any date this representation is made and has not been obtained or made as of such date) of any Person, under any Purchased Contract, Land Contract or Governmental Approval;

(c) result in the imposition or creation of any Lien other than Permitted Liens, on any Asset of the Company or the Business; or

(d) result in the imposition or creation of any Lien on the Equity Interests of the Company.

Section 4.4 Capitalization.

(a) Seller is the direct owner, holder of record, and beneficial owner of, and has good and marketable to, the Shares free and clear of all Liens and restrictions on transfer other than those arising pursuant to or as described in this Agreement, the Organizational Documents of the Company, or applicable securities Laws.

(b) The Shares are duly authorized, validly issued, fully paid and non-assessable, were issued in compliance with all applicable Laws, and were not issued in violation of, and are not subject to, any preemptive rights or any other agreement, arrangement or commitment to which Seller or the Company is party.

(c) Except for the Shares, there are no outstanding Equity Securities of the Company. The Company has not granted to any Person any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase, subscription, allotment or issue of any unissued interests, units or other securities (including convertible securities, warrants or convertible obligations of any nature) of the Company. None of the Equity Securities of the Company are subject to any voting trust, member or partnership agreement or voting agreement or other agreement, right, instrument or understanding with respect to any purchase, sale, issuance, transfer, repurchase, redemption or voting of any Equity Securities of the Company, other than the Organizational Documents of the Company.

Section 4.5 Business; Purchased Assets

(a) The Business is the only business that has ever been or is currently being carried on by the Company.

(b) The Company has, or will have on the Closing Date, good, valid and marketable title to, or rights by Contract or other agreement to use, all of the Purchased Assets free and clear of all Liens (except for Permitted Liens).

(c) Except (i) for the Punchlist Items and (ii) as set forth on Schedule 4.5(c), as of the Closing the Company will own or have rights by Contract to use all of the Purchased Assets and Permits necessary to locate, develop, construct, install, interconnect, complete, operate and maintain, on the Site, a Sufficient Project (other than non-discretionary ministerial Permits that are not necessary prior to Closing), including the Project Leases and Land Contracts.

(d) As of the Closing, Seller or its Affiliates will have assigned, conveyed and transferred to the Company all of Seller's and such Affiliates' right, title and interest in and to all of the following Assets owned by Seller or its Affiliates or in which Seller or its Affiliates have or subsequently acquire any interest whatsoever free and clear of all Liens, other than Permitted Liens, to the extent related to the Project (collectively, the "**Purchased Assets**"):

- (i) the Wind Data;
- (ii) the physical Assets;
- (iii) the Purchased Contracts, including the Land Contracts and the Generator Interconnection Agreement;
- (iv) all rights of Seller and Seller's Affiliates, with respect to the Company or the Project, including the Generator Interconnection Agreement;
- (v) the Permit applications and, if issued, the Permits;
- (vi) any Intellectual Property rights;
- (vii) the Books and Records;
- (viii) the Reports;
- (ix) any Project layouts, including micro-siting;
- (x) the Survey;
- (xi) all Real Property Interests;
- (xii) all iterations in Seller's or its Affiliates' possession or control of the Site plan containing ESRI GIS shape files of the Project with leased lands, setback and exclusion boundaries, met tower locations, collection line layout, any associated transmission line route(s) and proposed turbine, operations and maintenance building and substation locations; and

(xiii) any other Assets owned by Seller or its Affiliates or in which Seller or its Affiliates have any interest whatsoever that are related in any material respect to the Project.

(e) The Project includes the only Assets that are owned or have ever been owned by the Company.

(f) Schedule 4.5(f) identifies any and all meteorological towers, equipment, machinery and other material tangible personal property in which the Company holds an ownership or leasehold interest, which includes all warranties of manufacturers or vendors relating thereto, to the extent that such warranties are freely transferable.

Section 4.6 Bank Accounts. Schedule 4.6 sets forth a list of the names and locations of banks, trust companies and other financial institutions at which the Company maintains accounts of any nature or safe deposit boxes and the names of all Persons authorized to draw thereon, make withdrawals therefrom or have access thereto.

Section 4.7 Subsidiaries. The Company does not have any subsidiaries or own Equity Securities in any Person.

Section 4.8 Legal Proceedings. Except as set forth on Schedule 4.8, no Claim is pending, and to Seller's Knowledge, none has been threatened (a) against the Company, (b) affecting the Company, the Purchased Assets or the Business, or (c) seeking a writ, judgment, order, injunction or decree restraining, enjoining or otherwise prohibiting or making illegal the Project or any of the transactions contemplated by this Agreement or the Company Assignment Agreement to which the Company is a party.

Section 4.9 Compliance with Laws. The Company is not in Default under any, and is in compliance with all, Laws or orders of all Governmental Authorities applicable to it, the Business and the Purchased Assets, and neither Seller nor the Company has received any notification indicating any violation of such Laws and orders. The representations and warranties contained in this Section 4.9 do not apply to Tax matters (which are governed exclusively by Section 4.11), regulatory matters (which are governed exclusively by Section 4.12), Permit matters (which are governed exclusively by Section 4.15), environmental matters (which are governed exclusively by Section 4.16), Intellectual Property matters (which are governed exclusively by Section 4.17), employment matters (which are governed exclusively by Section 4.19), or employee benefit matters (which are governed exclusively by Section 4.20).

Section 4.10 Assets and Liabilities; No Undisclosed Liabilities. Schedule 4.10 sets forth an unaudited balance sheet of the Assets and Liabilities of the Company as of the date of this Agreement. Except as set forth on Schedule 4.10, the Company does not have any Liability that would be required to be set forth on a balance sheet of the Company prepared in accordance with GAAP, except for (i) Liabilities under this Agreement and the Company Assignment Agreement or (ii) Liabilities arising under Purchased Contracts and Permits of the Company that have been made available to Buyer (none of which Liabilities result from a breach or Default under the applicable Purchased Contract, Land Contract or Permit).

Section 4.11 Taxes. Except as set forth on Schedule 4.11:

(a) The Company is and has been since formation, properly treated for federal income tax purposes as a disregarded entity within the meaning of Treasury Regulation 301.7701-3, and no election has been filed to treat the Company as a corporation for such purposes.

(b) The Company has timely filed all Tax Returns, if any, required to be filed with Tax Authorities, and all Taxes required to be paid or withheld by the Company have been timely paid or withheld as required by Law.

(c) Seller is not currently the beneficiary of or subject to any extension of time within which to file any Tax Returns or for the assessment or collection of any Tax with respect to the Company or the Purchased Assets. The Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(d) [Reserved].

(e) Seller has made available to Buyer true and complete copies of all Tax Returns of the Company or otherwise related to the Project, excluding income tax returns of Seller's direct or indirect owners.

(f) No Tax Returns with respect to the Company or the Project have been audited or examined by any Tax authority. There are no ongoing or pending or threatened in writing Tax audits, examinations, claims, assessments or proposed deficiencies against the Company or with respect to the Project.

(g) No Tax authority in a jurisdiction where the Company does not file a Tax Return has made a claim or assertion in writing, or threatened in writing, that the Company or Project is or may be subject to Tax by such jurisdiction.

(h) the Company is not a party to a tax allocation or tax sharing agreement or tax indemnity or similar arrangement.

(i) The Project has not benefited from any government grants, tax-exempt financing, subsidized energy financing or other federal tax credits within the meaning of Section 45(b)(3) of the Code.

(j) The Company has not entered into a closing agreement pursuant to Section 7121 of the Code (or any similar provision of state, local or foreign law).

(k) The Company has not engaged in any "reportable transaction" as defined in Treasury Regulation Section 1.6011-4(b) or any transaction under a similar provision of state, local or foreign Tax law.

(l) No private letter ruling or other ruling has been requested or received from any Tax authority with respect to the Company or the Project.

(m) The Company has no liability for the Taxes of any Person (i) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign Tax law), (ii) as a transferee or successor, or (iii) by Contract.

(n) No power of attorney is currently in effect on behalf of the Company with respect to any Taxes.

(o) Neither Seller nor the Company (or any Affiliate thereof) has taken any action that would cause any of the Purchased Assets to be subject to the alternative depreciation system within the meaning of Code Section 168(g) or to be treated as tax-exempt use property within the meaning of Code Section 168(h), nor are any of the assets of the Company so considered.

(p) No Person has elected to claim the Production Tax Credit under Section 45 of the Code or the energy investment tax credit pursuant to Section 48 of the Code with respect to the Project. No Person has applied for a grant with respect to the Project, or any portion thereof, from the U.S. Treasury Department under Section 1603 of Division B of the American Recovery and Reinvestment Act of 2009, as amended, and no such grant has been received with respect to the Project.

(q) Neither the Project, nor any portion of the Project, was placed in service for purposes of Section 168(k), Section 48 or Section 45 of the Code prior to the Closing.

(r) Prior to January 1, 2016, neither Seller nor its Affiliates has, has contracted with another person to have, has directed another Person to have, or has otherwise caused any other Person to have, (i) begun excavation for any foundation, set any anchor bolts into the ground, or poured concrete pads for any foundation at the Site, (ii) begun excavation for or construction of any building, wall, or other structure at the Site, (iii) performed any site improvements at the Site, such as filling or compacting soil, or installing stack piling, (iv) started construction of any roads at the Site, (v) begun the manufacture, construction, production, or assembly of any components comprising the Project, including any wind turbine, tower unit, or transformer, (vi) performed any other physical work or physical activities at the Site with respect to any property or components comprising the Project except, in the case of clauses (v) and (vi) for (A) erecting and maintaining meteorological towers and related equipment, (B) soil sampling and soil borings related to geotechnical and environmental studies, and (C) clearing the Real Property comprising the Site necessary to conduct surveys and environmental and engineering studies, or (vii) paid or incurred more than five percent (5%) of the total cost of the Project.

(s) To Seller's Knowledge, construction of the Project did not begin prior to January 1, 2016, within the meaning of the Beginning of Construction Guidance.

(t) The Project is located in its entirety in the United States.

(u) None of the components of the Project consist of property, materials or parts used by any Person other than the Company (other than in connection with the construction, start-up, testing and commissioning of the Project).

(v) No Person has an ownership interest, or a right to acquire an ownership interest, in the Company or the Project, other than, (i) the Shares Seller is selling to Buyer pursuant to this Agreement, and (ii) with respect to the Project, the Company.

(w) No power sales contract of the Company is described in Code Section 45(e)(7).

Section 4.12 Regulatory Status. Neither Seller nor the Company is subject to regulation as a “public utility” under the FPA, a “public-utility company” as defined under PUHCA, an “electric utility” as defined in Section 31.002(6) of the Texas Public Utility Regulatory Act, or any state statutes or regulations defining regulated public utilities under Texas Law, including, but not limited to Chapter 25 of the Texas Administrative Code, taking into account the current state of development activities by the Company and Seller as of the date of this Agreement. The Company is not an “electric-utility company” or a “holding company” as defined under PUHCA. Seller either is not a holding company as defined under PUHCA or is a holding company that is entitled to the exemptions and waivers set forth at 18 C.F.R. § 366.3(a). The representations and warranties in this Section 4.12 and Section 4.5(c) are Seller’s sole representations and warranties regarding energy regulatory matters, except for Permits (which are governed by Section 4.15).

Section 4.13 Contracts.

(a) Schedule 4.13(a) sets forth a list of the Contracts (other than the Land Contracts) to which the Company is a party or by which the Purchased Assets are bound or to which the Project is subject or to which Seller or any Seller Affiliate is a party to the extent related primarily to the Business (collectively, with the Land Contracts, the “**Purchased Contracts**”). On or prior to the Closing Date Seller shall assign, or cause to be assigned, all Purchased Contracts listed on Schedule 4.13(a) as of the date of this Agreement, other than the Generator Interconnection Agreement.

(b) Schedule 4.13(b) sets forth a list of the Support Obligations.

(c) Seller has made available to Buyer true, correct and complete copies of all Purchased Contracts and Support Obligations, including all amendments, waivers or modifications thereto.

(d) Each of the Purchased Contracts and the Support Obligations is in full force and effect and constitutes a legal, valid and binding obligation of the Company or, prior to the Closing, Seller or any Seller Affiliate, as applicable, and, to Seller’s Knowledge, of the other parties thereto.

(e) Neither the Company nor Seller or any Seller Affiliate is in Default under any Purchased Contract or Support Obligation and, to Seller’s Knowledge, no other party to any of the Purchased Contracts or Support Obligations is in Default thereunder. No event has occurred that (with or without notice, lapse of time or both) could reasonably be expected to constitute a material Default by the Company or Seller or any Seller Affiliate, as applicable, under any such Purchased Contract or Support Obligation. Neither the Company nor Seller or any Seller Affiliate has received any written notice or,

to Seller's Knowledge, oral notice, from any counterparties in connection with any of the Purchased Contracts or Support Obligations of (i) any material Default under any Purchased Contract or Support Obligation, (ii) the fact that any such party will terminate, not renew, cancel or substantially decrease its business with the Company, or (iii) any claim for damages or indemnification with respect to the products or performance of services pursuant to any Purchased Contract.

(f) The consummation of the transactions contemplated by this Agreement will not require the Consent of any party to a Purchased Contract or Support Obligation except as specifically set forth on Schedule 2.7(b)(ix).

(g) Schedule 4.13(g) sets forth a list of the Contracts (other than Purchased Contracts) to which Seller is a party that (i) are not primarily related to the Business and (ii) are necessary to enable the Project to be located, interconnected, erected, constructed, operated and maintained on the Site (collectively, the "**Shared Contracts**").

Section 4.14 Real Property.

(a) Schedule 4.14(a) sets forth a list of all Land Contracts.

(b) Seller has made available to Buyer copies of all Land Contracts, and, as of the Closing Date, those copies are complete and accurate in all respects.

(c) The Company does not own any real property in fee except as set forth on Schedule 4.14(a). Other than the Real Property Interests, the Company holds no other rights or interests in real property.

(d) Except as set forth on Schedule 4.14(d), to Seller's Knowledge, the Company and an Affiliate of Seller hold, and as of the Closing Date the Company will exclusively hold, good and marketable title to the Real Property Interests free and clear of all Liens, adverse claims and other matters adversely affecting the Company's title to such Real Property Interests (other than Permitted Liens).

(e) Except as set forth on Schedule 4.14(e), each Land Contract (i) is a legal, valid and binding agreement of the Company or, prior to the Closing, an Affiliate of Seller, as applicable, (ii) is in full force and effect, and (iii) is enforceable, and will continue to be legal, valid and binding and enforceable on identical terms immediately following the consummation of the transactions contemplated hereby, against Seller or the Company, as applicable, and each other party thereto. Seller or the Company has paid, or caused to be paid, all amounts currently due and payable with respect to each Land Contract.

(f) There exists no Default under any Land Contract by the Company, Seller or, to Seller's Knowledge, any other Person that is a party thereto and to Seller's Knowledge, no event has occurred that would constitute a Default or would permit termination, modification, or acceleration thereunder.

(g) (i) As of the Closing Date, there are no pending, and to Seller's Knowledge any threatened, appropriation, condemnation or like proceedings relating to any real property encumbered by the Land Contracts, the Project or any portion thereof, (ii) none of Seller, the Company or any Affiliate thereof have received any written notice from a Governmental Authority of any violation of any applicable zoning law, regulation or rule or other Law relating to or affecting any such real property, and (iii) neither the Company nor Seller has granted any options or rights of first offer or first refusal to purchase or lease such real property, or any portion thereof or interest therein. Except as set forth on Schedule 4.14(g), as of the Closing Date, the zoning and private land use restrictions on the real property which is the subject of the Land Contracts permit the location, erection, interconnection, construction, operation and maintenance, on the Site, of a Sufficient Project. To Seller's Knowledge, there is no action pending before any Governmental Authority to change the applicable zoning or building ordinances or any other Law affecting the Land Contracts that could reasonably be expected to have an adverse effect on the Project.

(h) Except for the amounts payable by the Company following the Closing Date as set forth in the Land Contracts, there are no other rents, royalties, fees or other amounts payable or receivable by the Company in connection with the Land Contracts.

(i) Neither Seller nor the Company have (i) made, ordered and/or contracted for any construction, repairs, alterations or improvements to be made on or to any real property encumbered by the Land Contracts, or (ii) ordered materials or supplies for any real property encumbered by the Land Contracts, which in either case have not been paid for in full and there are no outstanding or disputed claims for any such work or item.

(j) Neither the Company nor Seller has assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any of the Real Property Interests (except as part of the Pre-Closing Asset Transfer) and all such Real Property Interests are free and clear of all Liens other than Permitted Liens.

(k) As of the Closing Date, the Real Property Interests will constitute all land and other rights in the real property necessary in connection with the acquisition, development, construction, installation, interconnection, completion, operation, and maintenance on the Site of a Sufficient Project, in accordance with all Laws.

(l) Except (i) for Punchlist Items and (ii) as set forth on Schedule 4.14(l), as of the Closing Date the Land Contracts are (A) sufficient to enable the Project to be located, erected, interconnected, constructed, operated and maintained as currently contemplated by the Company and (B) provide legal and physical ingress and egress rights to and from a public or private right-of-way for any commercially reasonable purpose in connection with the construction and operation of the Project.

Section 4.15 Permits.

(a) Schedule 4.15 sets forth all Governmental Approvals required to authorize the construction, operation, ownership, use and maintenance of a Sufficient Project. Part I

of Schedule 4.15 includes all Permits obtained with respect to the Project. Part II of Schedule 4.15 lists all Permits that have not yet been obtained but for which the Company has filed applications. Part III of Schedule 4.15 lists all Permits that have not yet been obtained but are expected to be obtained on or prior to Closing. Part IV of Schedule 4.15 lists required Permits that have not yet been obtained and are not expected to be obtained on or prior to Closing. Seller has provided Buyer with complete and accurate copies of all applications and Permits listed in Part I of Schedule 4.15. Each Permit listed on Part I of Schedule 4.15 was validly issued, is in full force and effect and not subject to an appeal or otherwise appealable, and has not been modified, revoked or amended since its issuance.

(b) Each of the Company and Seller has performed all material obligations and complied at all times in all material respects with the Permits set forth on Part I of Schedule 4.15.

(c) No event has occurred that could reasonably be expected to constitute a material Default or violation by the Company or Seller under any Permit listed in Part I of Schedule 4.15 or, to Seller's Knowledge, prevent the issuance of any Permit listed on Part II, Part III, or Part IV of Schedule 4.15.

(d) The consummation of the transactions contemplated by this Agreement will not affect the legality, validity, binding nature, enforceability or force and effect of any Permit listed on Schedule 4.15, or, except as set forth on Schedule 4.15(d), require notice to or the Consent of any Governmental Authority.

(e) No Claim is pending against, and to Seller's Knowledge, none has been threatened that seeks to challenge or limit the legality, validity, binding nature, enforceability or force and effect of any Permit listed on Schedule 4.15.

Section 4.16 Environmental Matters. Except as set forth on Schedule 4.16:

(a) the Company, and with respect to the Business, Seller, are in material compliance with applicable Environmental Laws, and the Company and Seller have no material Liabilities under Environmental Laws related to the Purchased Assets, the Company or the Project;

(b) the Company and Seller have obtained, maintained and complied with all material Governmental Approvals necessary under any applicable Environmental Law for the current state of development, construction, and ownership of the Project (other than non-discretionary ministerial Permits that are not necessary prior to Closing);

(c) neither the Company nor Seller has received written notice of any Environmental Claim and, to Seller's Knowledge, no Environmental Claim has been threatened, against the Company, the Project or Seller by any Person under any Environmental Laws;

(d) to Seller's Knowledge, there are no facts, circumstances, conditions or occurrences relating to the Purchased Assets, the Company or the Project or the past

operations of the Company that could reasonably be expected to form the basis of a material claim by any Person under any Environmental Law against Seller or its Affiliates, including the Company;

(e) to Seller's Knowledge, no portion of the Site contains or has ever contained any underground storage tank, surface impoundment or similar device used for the management of wastewater, or other waste management unit dedicated to the disposal, treatment, or long-term storage (greater than thirty (30) days) of waste materials in a manner expected to result in a material Environmental Claim;

(f) there is no site to which the Company or Seller has transported, or arranged for the transport of, Hazardous Materials associated with the Company, the Project or the Purchased Assets which, to Seller's Knowledge, could reasonably be expected to result in an Environmental Claim; and

(g) there has been no Release of any Hazardous Material at or from the Project in connection with the Company's or Seller's operations at the Project or, to Seller's Knowledge, by any other Person, that could reasonably be expected to result in a material Environmental Claim.

Section 4.17 Intellectual Property.

(a) Schedule 4.17 sets forth all Intellectual Property that the Company will exclusively own, or have the license or right to use for the Business.

(b) Neither the Company nor Seller has received from any third party a Claim that it is infringing or violating the Intellectual Property of such third party.

(c) To Seller's Knowledge, the Purchased Assets are free of any third party rights relating to intellectual or proprietary property or agreements and the utilization of the Purchased Assets does not infringe upon or violate the intellectual property rights of any other Person.

(d) The representations and warranties set forth in this Section 4.17 are Seller's sole and exclusive representations and warranties concerning Intellectual Property matters.

Section 4.18 Brokers. The Company does not have any liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

Section 4.19 Employees and Labor Matters. The Company has never had any employees.

Section 4.20 Employee Benefits. The Company has never sponsored, maintained or contributed to any Benefit Plan.

Section 4.21 Wind Data. Seller has delivered to Buyer true, correct and complete copies of all books and records containing any Wind Data. The Wind Data was collected at the locations and during the times set forth in such documents. Seller has not omitted or failed to provide to Buyer any Wind Data measured and recorded at the Site on or before the dates specified on Schedule 4.21 by or on behalf of the Company, Seller or any of its Affiliates, or, to the extent that the same are in the Company's, Seller's or its Affiliates' possession or under the Company's Seller's or its Affiliates' control, prepared by or on behalf of any other Person. To Seller's Knowledge, except for the Wind Data, there is no other wind speed data or other relevant wind characteristics data that have been prepared in respect of the Project.

Section 4.22 Insurance. Schedule 4.22 describes the insurance maintained by or on behalf of the Company with respect to the Project. Such insurance coverage is in full force and effect, all premiums with respect thereto covering all periods up to and including the date as of which this representation is being made that are required to have been paid as of such date have been paid (other than retroactive premiums which may be payable with respect to commercial general liability insurance policies), and no written notice of cancellation or termination has been received by the owner or holder of any such insurance coverage. No pending Claims by or for the benefit of the Company exist under any such insurance coverage covering the Company.

Section 4.23 No Other Agreements to Sell the Purchased Assets. Neither the Company nor Seller has any legal obligation to, or non-binding agreement in principle with, any other Person to sell or effect a sale of all, or any portion of, the Company or the Purchased Assets.

Section 4.24 Books and Records. All Books and Records of the Company have been maintained in all material respects in accordance with applicable Law.

Section 4.25 Studies and Reports. Schedule 4.25(a) contains a true, correct and complete list of all material studies and reports (collectively, "**Reports**"), including, if existing, those studies relating to wildlife (including avian), environmental, anthropological, geotechnical, resource, curtailment, feasibility, geological, biological, watershed, flora and fauna, wetlands, groundwater resources, archaeological, cultural, visual impact, noise impact, television reception interference, transmission (including constraints), wind resources, projected revenues, engineering, design, suitability of the turbines, and construction of the Project, that are in the possession or control of Seller, the Company or any of their Affiliates or Representatives. A true, correct and complete copy of each such report, including any amendments thereto, has been made available to Buyer prior to the execution of this Agreement. Schedule 4.25(b) lists those Material Reports that are required to be completed and/or obtained pursuant to Section 6.6(j).

Section 4.26 Affiliate Transactions. Except as disclosed on Schedule 4.26 or under the Purchased Contracts, there are no existing or pending transactions, Contracts or Liabilities between or among the Company on the one hand, and Seller or any of Seller's Affiliates on the other hand.

Section 4.27 Certain Disclaimers.

(a) ***Except as expressly set forth in Article III and Article IV, none of Seller or its, or its Affiliates', Representatives, officers or Affiliates has made or is making any other representations or warranties whatsoever, express or implied, written or oral, and expressly disclaims any other representations or warranties of any kind or nature, express or implied as to the title, condition, value or quality of the shares, the Company, the Project, or the Purchased Assets and, except as expressly set forth in Article III and Article IV, Seller, its Representatives and Affiliates, and such Affiliates' Representatives, specifically disclaim any representation or warranty of merchantability, usage, suitability or fitness for any particular purpose with respect to the Project or the Purchased Assets, or any other part thereof, or as to the workmanship thereof, or the absence of any defects therein, whether latent or patent, and furthermore, except as otherwise expressly set forth in Article III and Article IV, Seller, its Representatives, and Affiliates, and such Affiliates' Representatives, makes no representations or warranties regarding environmental matters.***

(b) ***The Parties acknowledge and agree that, except as otherwise expressly provided in Article III and Article IV, the Company is being transferred through the sale of the Shares "AS IS, WHERE IS, WITH ALL FAULTS" and, except as expressly set forth in Article III and Article IV, Seller expressly disclaims any representations and warranties of any kind or nature, express or implied, as to the condition, value or quality of the Company, the Project and the Purchased Assets or the prospects (financial market or otherwise), risks and other incidents of the Company, the Project and the Purchased Assets.***

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller that each and all of the following representations and warranties set forth in this Article V are true and correct as of the date of this Agreement and as of the Closing Date (except for such representations and warranties that speak as of a specific date, in which case such representations and warranties are true and correct as of such date):

Section 5.1 Organization. Buyer is a corporation, validly existing and in good standing under the Laws of the State of New Mexico. Buyer is duly qualified or licensed to do business in each other jurisdiction where the actions to be performed by it under this Agreement makes such qualification or licensing necessary, except in those jurisdictions where the failure to be so qualified or licensed would not have a material adverse effect on its ability to perform such actions.

Section 5.2 Authority; Enforceability. Subject to Section 2.8(a)((xii), Buyer has all requisite corporate power and authority to enter into this Agreement and the Company Assignment Agreement, to perform its obligations hereunder and thereunder and to consummate

the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and the Company Assignment Agreement and the performance by Buyer of its obligations hereunder and thereunder have been duly and validly authorized by all necessary action on behalf of Buyer. This Agreement has been, and the Company Assignment Agreement when executed will be, duly and validly executed and delivered by Buyer and constitutes, or will constitute, as applicable, the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

Section 5.3 No Conflicts. The execution and delivery by Buyer of this Agreement and the Company Assignment Agreement, and the performance by Buyer of its obligations hereunder and thereunder do not:

(a) result in a violation of or a breach of any of the terms, conditions or provisions of the Organizational Documents of Buyer;

(b) result in a Default under any material Contract to which Buyer is a party, except for any such Default which would not, in the aggregate, have a material adverse effect on Buyer's ability to perform its obligations under this Agreement or the Company Assignment Agreement; or

(c) (i) violate or breach any term or provision of any Law, Governmental Approval or order applicable to Buyer or any of its Assets, except as would not have a material adverse effect on Buyer's ability to perform its obligations under this Agreement or the Company Assignment Agreement or (ii) require any material Consent of any Governmental Authority under any applicable Law, other than such Consents listed on Schedule 2.7(b)(ix) or such Consents, which, if not made or obtained, would not have a material adverse effect on Buyer's ability to perform its obligations under this Agreement or the Company Assignment Agreement.

Section 5.4 Legal Proceedings. Buyer has not been served with notice of any Claim, no Claim is pending and to Buyer's knowledge, none is threatened in writing, against Buyer which seeks a writ, judgment, order or decree restraining, enjoining or otherwise prohibiting or making illegal any of the transactions contemplated under this Agreement or the Company Assignment Agreement.

Section 5.5 Purchase for Investment. Buyer represents and warrants that (a) the Shares are being acquired for Buyer's own account and not with a view to, or intention of, distribution thereof in violation of the 1933 Act, or any applicable state securities laws, and the Shares shall not be disposed of in contravention of the 1933 Act or any applicable state securities laws, (b) Buyer's knowledge and experience in financial and business matters are such that it is capable of evaluating the merits and risks of the investment in the Shares, and (c) Buyer is an "accredited investor" as such term is defined in Regulation D under the Securities Act.

Section 5.6 Brokers. Buyer does not have any liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

Section 5.7 Financial Resources. Buyer has and at all times prior to Closing will continuously have sufficient funds available or committed sources for sufficient funds to perform its obligations with respect to the transactions contemplated hereby, including having available at the Closing Date funds sufficient to pay the amount payable by Buyer to Seller pursuant to Section 2.2.

Section 5.8 Certain Disclaimers. ***Except as Expressly set forth in this Article V, none of Buyer or its, or its Affiliates', Representatives, officers or Affiliates has made or is making any other representations or warranties whatsoever, express or implied, written or oral, and expressly disclaims any other representations or warranties of any kind or nature, express or implied.***

ARTICLE VI

COVENANTS

The Parties hereby covenant and agree as follows:

Section 6.1 Books and Records.

(a) From and after Closing, Buyer will preserve and keep the Books and Records of the Company and the Project that relate to the period prior to the Closing Date (including all accounting records) for a period of seven (7) years from the Closing, or for any longer periods as may be required by any Governmental Authority or ongoing litigation. From and after Closing, Buyer, upon reasonable prior written notice from Seller, will provide to Seller and its Representatives access to or copies of books and records of the Company to the extent relating to events that occurred prior to Closing and to the extent needed for a legitimate business purpose or to enforce rights under this Agreement provided that all such books and records shall be confidential and the information therein shall not be used or disclosed except as required by Law, for a legitimate business purpose, or to enforce rights under this Agreement.

(b) Seller will deliver the Books and Records of the Company in Seller's possession to Buyer as promptly as practicable following the Closing Date if such Books and Records are not present at the Company on the Closing Date. Seller may retain a copy of the Books and Records of the Company.

Section 6.2 Transfer Taxes. Buyer shall pay any Transfer Taxes in connection with this Agreement and the transactions contemplated hereby. Buyer shall be responsible for filing any Tax Return regarding any Transfer Taxes in connection with this Agreement and the transactions contemplated hereby and shall do so within the time period required by Law and provide a copy of the return to Seller, but will alert Seller of the need to file such a return first in writing in case there is any disagreement about whether Transfer Taxes are owed and work in good faith to resolve any disagreement. For the avoidance of doubt, Buyer will be solely responsible for any Transfer Taxes arising from any action to dissolve, terminate or restructure the Company or to convey, distribute or transfer any assets, properties or other rights to or from the Company after Closing.

Section 6.3 Tax Matters.

(a) Except as provided in Section 6.2 relating to Transfer Taxes:

(i) In the case of any Straddle Period, (i) franchise Taxes based solely on capital, ad valorem Taxes and property Taxes shall be apportioned between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date on a daily pro-rata basis, and (ii) all other Taxes shall be apportioned between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date on a closing of the books basis.

(ii) Buyer and Seller shall furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Project as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund, or other filings relating to Tax matters, for the preparation for any Tax audit, for the preparation for any Tax protest and for the prosecution or defense of any suit or other proceeding relating to Tax matters.

(iii) The Parties agree that prior to the Closing, Seller will not negotiate with any local taxing authority regarding tax rates or structures for the Project without the prior written consent of Buyer, and that if such consent to negotiate is provided, any such agreement regarding tax rates or structures entered into prior to the Closing is also subject to the prior written consent of Buyer. Prior to the Closing, Buyer will not negotiate with any local taxing authority regarding tax rates or structures for the Project, that would apply to any Pre-Closing Tax Period without the prior written consent of Seller, and if such consent to negotiate is provided, any such agreement regarding tax rates or structures entered into prior to the Closing is also subject to the prior written consent of Seller.

(iv) Income Taxes relating to or accrued by the Company prior to the Closing that have not been paid by Seller shall be paid by and remain the responsibility of Seller.

(b) Between the date hereof and the Closing Date, (i) Buyer may, in its sole discretion, notify Seller in accordance with Section 8.1 of a Tax Law Change and (ii) Seller may, in its sole discretion, notify Buyer of any events or circumstances described in clauses (c) through (f) (but in the case of clause (d) only the issuance of final Treasury Regulations and in the case of clause (e) only if the subject change in interpretation is final and non-appealable) that Seller has reasonably determined may form the basis of a Tax Law Change (any such notice in (i) or (ii), a "**TLC Notice**"). If a TLC Notice is delivered in accordance with the preceding sentence, Buyer will have sixty (60) days from the date on which such TLC Notice is delivered or received, as applicable, during which to determine whether it will exercise its rights under Section 2.8(a)(xiv) (such period of time, the "**TLC Determination Period**"). If Buyer so elects to exercise its rights under Section 2.8(a)(xiv), Buyer shall so notify Seller in accordance with Section 8.1 providing a clear indication of its intention to terminate this Agreement and a

reasonably detailed explanation of the nature and effect of Tax Law Change giving rise to the termination right (a “**TLC Termination Notice**”). If Buyer does not deliver a TLC Termination Notice before the expiry of the applicable TLC Determination Period, it will not have the right to terminate this Agreement on the basis of the specific (including time specific) Tax Law Change described in the subject TLC Notice.

Section 6.4 Conduct of the Company Prior to Closing. Except as contemplated, permitted or required by this Agreement, or as required by applicable Laws, between the date hereof and the Closing, Seller will cause the Company to conduct the Business, maintain all books and records, and use Commercially Reasonable Efforts to preserve and maintain all of the Purchased Assets, each in the Ordinary Course of Business. Without limiting the foregoing, Seller shall cause the Company to use Commercially Reasonable Efforts, consistent with Prudent Wind Industry Practices, material applicable Laws, and all Purchased Contracts, to develop the Project, and to preserve its relations with and the goodwill of the suppliers, contractors, Governmental Authorities, personnel, licensors, customers, distributors and others having business relations with the Company or Seller in respect of the Project. Notwithstanding the foregoing, between the date hereof and the earlier to occur of the Closing and the termination of this Agreement, except as permitted or contemplated by the terms of this Agreement, without the prior written consent of Buyer (which consent may be withheld in Buyer’s sole discretion, except in the cases of items (d), (h), (j) and (l) below, and item (q) as the same relates to items (d), (h), (j) and (l), in which cases Buyer’s consent shall not be unreasonably withheld, conditioned or delayed), the Company and, with respect to the Business, Seller shall not do, or suffer to occur, any of the following:

- (a) take any action which could reasonably be expected to interfere with or prevent the consummation of the transactions contemplated by this Agreement;
- (b) amend the Organizational Documents of the Company;
- (c) adopt a voluntary plan of complete or partial liquidation or dissolution;
- (d) incur any obligations or Liabilities (through a Contract or otherwise) that would remain outstanding obligations or Liabilities of the Company on or following the Closing Date, other than with respect to any Land Contracts executed after the date hereof which are substantially in the form of the applicable Land Contracts existing as of the date hereof;
- (e) declare, set aside or pay any dividends on or make any other distributions (whether in cash, stock, equity securities or property) in respect of any Equity Interests of the Company or split, combine or reclassify any such Equity Interests or issue or authorize the issuance of any other securities of the Company in respect of, in lieu of or in substitution for any Equity Interests;
- (f) issue, deliver, sell, authorize, pledge or otherwise encumber any Equity Securities;

(g) acquire or agree to acquire by merging or consolidating with, or by purchasing any material equity or voting interest in or a material portion of the assets of, or by any other manner, any business or any Person or division thereof;

(h) sell, lease, license, encumber or otherwise dispose of any of the Purchased Assets (other than Permitted Liens) or enter into any written or oral agreement with a third party with respect to the sale, lease, license, encumbrance or other disposition of any the Purchased Assets (other than the transfer of the Purchased Assets from Seller or its Affiliates to the Company);

(i) make any change in the Business except such changes required by applicable Law;

(j) amend, modify, grant any waivers in respect of, cancel, terminate, or consent to the cancellation or termination of, any Purchased Contract;

(k) enter into Contracts that include change in control restrictions, direct or indirect equity ownership transfer restrictions, restrictions on competition, rights of first refusal, rights of first offer, or other similar rights;

(l) settle or agree to settle any material Action with any third party, including any Governmental Authority;

(m) make or effect any change in any accounting methods, principles or practices or any change in, or adoption of any new, tax accounting principle, method of tax accounting or tax election;

(n) file any amended Tax Return with respect to any Taxes, enter into any closing agreement, settle or compromise any proceeding with respect to any Tax claim or assessment, surrender any right to claim a refund of Taxes, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment relating to the Company, take any other similar action relating to the filing of any Tax Return or the payment of any Tax;

(o) make or change any election in respect of Taxes, adopt or change any accounting method in respect of Taxes, file any federal, state, or foreign income Tax Return or any other material Tax Return without the consent of Buyer prior to filing, file any amendment to a federal, state, or foreign income Tax Return or any other material Tax Return, enter into any Tax sharing or similar agreement or closing agreement, settle any claim or assessment in respect of Taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes, or enter into intercompany transactions giving rise to deferred gain or loss of any kind, or take any other similar action relating to the filing of any Tax Return or the payment of any Tax, if such election, adoption or other action would have the effect of increasing the Tax liability of the Company for any period ending after the Closing Date or decreasing any Tax attribute of the Company existing on the Closing Date;

(p) submit any rate schedules to Federal Energy Regulatory Commission or take any other actions that would result in the Company becoming a “public utility” within the meaning of Section 201(e) of the FPA or within the meaning of any applicable state statute; or

(q) agree to enter into any Contract or otherwise any commitment to do any of the foregoing in this Section 6.4.

Seller shall be permitted to request consent from Buyer in writing (including by electronic mail) by delivering written notice (including by electronic mail) to all of the individuals specified on Schedule 6.4 (which Schedule may be updated from time to time by Buyer) which written notice shall include clear and conspicuous language stating that such notice triggers a seven (7) Business Day response period under this Section 6.4 and that rights will be forfeited hereunder if Buyer does not timely respond. If no such individual responds (including by return email) to any such written notice within seven (7) Business Days after delivery of such initial written notice, Buyer shall be deemed to have provided its prior written consent and approval to the taking of such action upon and under the circumstances described in such request.

Section 6.5 Purchased Property. If requested by Buyer following the date of this Agreement, Seller shall use Commercially Reasonable Efforts to cause the Company to obtain from those landowners identified by Buyer a fee simple interest in land identified by Buyer for an operating and maintenance facility (not to exceed five (5) acres) and a Project substation (not to exceed ten (10) acres), in each case at a price not to exceed ten thousand dollars (\$10,000) per acre and on terms and conditions acceptable to Buyer (the “**Purchased Property**”).

Section 6.6 Development Work. Seller shall cause the Company to, in cooperation and coordination with Buyer and at the sole cost and expense of Seller, perform the following actions related to the development of the Project, in a manner consistent with the Design Package and the primavera network diagram attached hereto as Schedule PND (the “**Development Work**”):

(a) implement a permitting and regulatory strategy with local, state and federal agencies sufficient to obtain all Governmental Approvals required for the construction, ownership and operation of the Project (excluding the Buyer’s Regulatory Approval); provided, Buyer is responsible for permits related to construction activities, including building permits, storm water permits, notice of intent, air quality permits, approach and turning radii permits (the “**EPC Permits**”);

(b) support and, as requested, assist with all filings and other communications with respect to the Buyer’s Regulatory Approvals and the EPC Permits;

(c) negotiate and complete all Land Contracts and obtain all Real Property Interests necessary to acquire, develop, interconnect and, to the extent reasonably foreseeable, construct, install, complete, operate and maintain on the Site the Project, and

any Land Contract executed after the date hereof shall be substantially in the form of the applicable Land Contracts existing as of the date hereof;

(d) acquire a fee simple interest in real property for an operation and maintenance building and Project substation as provided for in, and in accordance with, Section 6.5;

(e) prior to the Closing Date, if permitted under the applicable Land Contract, release from the Project those parcels having title complications that are incurable as determined by Buyer in accordance with, and subject to, Section 2.7(d));

(f) manage pre-Closing negotiations between Seller or the Company and the Landowners, and support Buyer in any post-Closing negotiations;

(g) support landowner relations and communications for activities such as pre-Closing landowner meetings, and support Buyer in any such post-Closing activities;

(h) manage pre-Closing zoning and other permitting matters, including obtaining all Governmental Approvals (excluding the Buyer's Regulatory Approvals and the EPC Permits) necessary to initiate construction of the Project and to enable the Company to own, lease or otherwise hold the Project's Assets to carry on the business and support Buyer in any such post-Closing matters;

(i) manage pre-Closing title matters including, identifying encumbrances in coordination with Buyer (including any federal or state holdings or easements), implementing curative measures and procurement of the Title Commitments, and obtaining the Survey, including performing such obligations set forth in Section 2.7(d), and support Buyer in any such post-Closing matters;

(j) complete and/or obtain all Material Reports, which shall be in form and substance reasonably acceptable to Buyer;

(k) collect and analyze met tower data;

(l) assist with the development of a Site plan, including by completing geo-coordinates for all final and all alternate turbine locations and all proposed setbacks, Site optimization, micro-siting studies, re-surveys, and other related Development Work in connection with turbines (including any other related pre-Closing Development Work associated with re-locating turbine sites due to adverse site conditions or constructability issues), the collection system, the Project substation, the operations and maintenance building, and access roads (including public and turbine access roadway improvement assessments and all agreements related thereto), and pre-Closing re-permitting associated with any adjustments or modifications to the aforementioned (the Site plan resulting from each of the foregoing, the "*Final Site Plan*"), which Final Site Plan will, if reasonably available when the Survey is being prepared, be overlaid in the Survey;

(m) obtain the following:

(i) all required geotechnical reports of all final and alternate turbine locations and at all ancillary structure locations;

(ii) studies/analysis relating to the observed wind regime and estimated energy production at the proposed Site;

(iii) environmental, cultural and historical surveys of all corridors required to construct the Project;

(iv) desktop wetlands assessment to identify the existence and location of jurisdictional wetlands and, if the construction, operation or maintenance of the Project is expected to impact wetlands, prepare a wetland delineation report for potentially impacted wetlands and surface waters within all corridors required to construct the Project, such report based on the design assumption that the Project will qualify for NationWide Permit 12 or NationWide Permit 14 utilizing a self-verification method appropriately documented in the report;

(v) Tier I and II studies conducted in accordance with the USFWS Land Based Wind Energy Guidelines (“WEG”) to be documented in the Wildlife Conservation Strategy (*i.e.*, not a separate report);

(vi) desktop avian and Protected Species and habitat assessments and, if required, field assessments or studies, including any final findings, related to the Site in accordance with Tier I, II, III, and IV of the WEG to be documented in the Wildlife Conservation Strategy and associated desktop reports;

(vii) eagle and raptor nest and use studies, which shall be consistent with the USFWS Eagle Conservation Plan Guidelines (but shall not require preparation of an Eagle Conservation Plan or pursuit of an eagle take permit);

(viii) USFWS analyses or studies related to the Project;

(ix) all required cultural resource and architectural history studies within the Site;

(x) Federal Aviation Administration screening studies associated with Project development and any additional micro-siting required to finalize the Site layout; provided that, subject to Section 2.7(b)(ii), actions under this Section 6.6(m)(x) not completed prior to Closing may be identified by Seller on Schedule 6.6 at the Closing;

(xi) a beam path study within the Site;

(xii) any acoustic and shadow flicker modeling reports required to be conducted as part of the Project or by any Purchased Contract, applicable Law or Permit; and

(xiii) any required soil/geotechnical/geological studies;

(n) develop a crossing permit matrix and coordinate and complete all required crossing agreements with respect to existing utilities within the Site; provided that, so long as such crossing permit matrix is completed before Closing, and subject to Section 2.7(b)(ii), actions under this Section 6.6(n) not completed prior to Closing may be identified by Seller on Schedule 6.6 at the Closing;

(o) review and provide a description and status of past or on-going environmental projects relevant to the Site done in settlement with a regulatory agency or due to a voluntary initiative;

(p) consistent with the Phase I Environmental Site Assessment, complete a review of and list all known spills or Releases and all other recognized environmental conditions that have occurred at the Site and the actions taken to remediate them;

(q) complete the standard broadcast Site review;

(r) complete a review of any United States Department of Agriculture Conservation Reserve Program or Wetlands Reserve Program, and designations pertaining to the Site and list all potentially affected parcels;

(s) resolve any issues regarding real and personal property Taxes affecting the Project, including obtaining the consent to assignment of, and an amendment (reflecting such resolved issues that relate to the Property Tax Agreements) to, each of the Property Tax Agreements, all in form and substance acceptable to Buyer;

(t) to the extent the same are not included in the Survey, provide to Buyer Site drawings showing (i) vertical relief and contour intervals, (ii) setback requirements including those imposed by Contract or applicable Law, (iii) wetlands delineation, and (iv) plottable offsite easements or servitudes required for the interconnection, construction, operation and maintenance of the Project; and

(u) perform the activities designated as Seller's responsibility on Schedule 6.6 attached hereto.

Section 6.7 Purchased Asset Transfer. If applicable, prior to (which may be on the same day as) the Closing, Seller shall, and shall cause its Affiliates to, (a) assign, convey and transfer to the Company, free and clear of all Liens other than Permitted Liens, all of Seller's and its Affiliate's right, title and interest in and to the Purchased Assets owned by Seller or its Affiliates or in which Seller or any of its Affiliates have any interest in, including all work or Assets related solely to the Project generator tie line, and (b) cooperate with Buyer to allow Buyer to replicate and/or continue to receive the benefit of the Shared Contracts (the "***Pre-Closing Asset Transfer***"). All costs and expenses incurred in connection with such transfer shall be borne by Seller.

Section 6.8 Access to Information.

(a) Subject to the terms of the Confidentiality Agreement and subject to the safety rules and regulations of Seller, from the date hereof until the earlier of (i) the

Closing and (ii) the termination of this Agreement in accordance with Section 2.8, upon reasonable prior written notice, Seller will, and will cause the Company, to (A) afford Buyer and its authorized Representatives reasonable access to the offices, properties (including the Site), Representatives, Contracts, and Books and Records of the Company and the Project, (B) furnish to Buyer and authorized Representatives of Buyer such additional financial and operating data and other information, regarding the Company and the Project (or copies thereof) as Buyer may from time to time reasonably request, and (C) furnish to Buyer and authorized Representatives of Buyer any other information concerning or otherwise relating to the Purchased Assets, the Company and the Project as Buyer or its Representatives may reasonably request; provided that, in the case of clause (B) or (C), Buyer shall reimburse Seller for any third party costs and expenses incurred by Seller or its Affiliates in connection with such activities.

(b) Without limiting the generality of the foregoing, until the Closing Date, Seller agrees to furnish to Buyer the following reports and notices:

(i) within ten (10) Business Days after the end of each month prior to the Closing Date, Seller shall deliver to Buyer a report addressing the progress being made with respect to the Development Work;

(ii) within ten (10) Business Days after any such report is submitted, a copy of any report required to be filed by Seller (or on behalf of Seller) with any Governmental Authority other than in the Ordinary Course of Business; and

(iii) within ten (10) Business Days after Seller obtains Knowledge thereof, notice of any Environmental Claim by any Governmental Authority or any assertion of an Environmental Claim or material Claims by any other Person or Persons together with a copy of any correspondence relating thereto and a description of any steps Seller is taking and proposes to take with respect thereto.

Section 6.9 Efforts; Consents; Regulatory and Required Seller Approval.

(a) Each Party will use diligent and Commercially Reasonable Efforts to (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under applicable Laws or otherwise to promptly consummate and make effective the transactions contemplated by this Agreement and the Company Assignment Agreement, (ii) obtain all authorizations, consents, orders and approvals of, and give all notices to and make all filings with, all Governmental Authorities and other third parties that may be or become necessary for the performance of its obligations under this Agreement and the Company Assignment Agreement and the consummation of the transactions contemplated by this Agreement and the Company Assignment Agreement, or that may be or become necessary, proper or advisable pursuant to any Permit or Purchased Contract to which the Company is bound or by which any of the Company's Assets or properties are bound, and (iii) satisfy all conditions to such Party's obligations under this Agreement and the Company Assignment Agreement. Notwithstanding the foregoing or anything to the contrary set forth in this Agreement, in connection with obtaining such authorizations, consents,

orders and approvals from Governmental Authorities or third parties, no Party will be required to make payments, commence legal or regulatory proceedings or agree to modifications of the terms and conditions of any agreements with third parties or Permits. Nothing in this Section 6.9(a) shall require any Party to (A) consent to any action or omission by the other Party or its Affiliates or (B) agree to amend or waive any provision of this Agreement. Each Party shall reasonably cooperate with the other Party in performing the obligations required by this Section 6.9(a), including the negotiation, execution, and assignment of Purchased Contracts and agreements related to the Project. Notwithstanding anything to the contrary contained in this Section 6.9(a), if the Parties are in an adversarial relationship in litigation or arbitration, the furnishing of any documents or information in accordance herewith shall be solely subject to applicable rules relating to discovery and the remainder of this Section 6.9(a) shall not apply.

(b) With respect to Buyer's Regulatory Approval, Buyer will submit, within sixty (60) days after execution of this Agreement, an application or a petition to the NMPRC and the PUCT requesting Buyer's Regulatory Approval. If Buyer obtains Buyer's Regulatory Approval as requested or with modifications that are acceptable to Buyer, and all other conditions precedent are satisfied or waived by the applicable Party, Buyer shall proceed to Closing subject to the terms and conditions of this Agreement provided, that if a Tax Law Change occurs, including after Buyer has submitted an application or a petition to the NMPRC and the PUCT (and whether or not Buyer Regulatory Approval not accounting for the impacts of any such Tax Law Change has previously been obtained), Buyer may, in its sole discretion, supplement or otherwise modify any such application or a petition to the NMPRC and the PUCT and meet and communicate with the NMPRC and the PUCT requesting Buyer Regulatory Approval accounting for the impacts of any such Tax Law Change on the terms and conditions satisfactory to Buyer, and the inclusion of such terms and conditions shall be required before the Buyer Regulatory Approval shall be considered to have been obtained for the purposes hereof (including Section 2.7). If Buyer's Regulatory Approval does not occur by the date described in Section 2.8(a)(iv), then Buyer shall have the right to terminate this Agreement as described in such section.

(c) If requested by Buyer, Seller shall, at its own cost, reasonably cooperate and support Buyer's efforts to obtain such approvals from the NMPRC and the PUCT, including assisting in factual development of the filings, providing supportive testimony and written comments; provided, however, that Seller, the Company and their Affiliates will not communicate with the NMPRC staff or the PUCT staff regarding the Project or regulatory approval process without Buyer's express consent, which consent may be withheld for any reason; provided further that such restriction shall not limit or prevent Seller, the Company or their Affiliates from communicating with the PUCT regarding any Permits that may be issued by the PUCT.

(d) Except as otherwise provided in this Agreement, the Parties will not take any action that is reasonably likely to have the effect of unreasonably delaying, impairing or impeding the receipt of any required authorizations, consents, orders or approvals.

Section 6.10 Notification of Closing. Within sixty (60) days after the Closing Date, Buyer will provide evidence to Seller, in a format reasonably acceptable to Seller, that Buyer has provided notice to all applicable Governmental Authorities and all counterparties to the Contracts of the Company regarding the sale of the Company and the Purchased Assets to Buyer and the new addresses for notice purposes.

Section 6.11 Public Announcements. Subject to a Party's reasonable judgment that it is required by Law or by the rules of a national securities exchange to make such disclosure, neither Party shall issue any public announcement or other statement with respect to this Agreement or the transactions contemplated hereby without the prior consent of the other Party. Additionally, Seller and the Company hereby consent to the disclosure of confidential information regarding the Project and its current status in public filings and informal communications with regulators to be made by Seller or Buyer in connection with seeking approval of the transaction contemplated by this Agreement and in developing the Project; and hereby waive any confidentiality provisions relating thereto currently in effect. Notwithstanding the foregoing, following the Closing Date, Seller may list the Project, including status, location, capacity in megawatts, and commercial operation date (but not including the identity of Buyer), and may use photographs of the Project, in a manner consistent with Seller's listings of other wind projects that it has developed, on Seller's or its Affiliates' websites or Seller's or its Affiliates' other marketing materials, without the consent of Buyer.

Section 6.12 Transfer of Permits. Seller acknowledges that the Project is subject to various Permits and requirements, including requirements to obtain Governmental Approvals authorizing the construction, ownership or operation of the Project, and requirements for the recovery of costs incurred from the Project. In the event Buyer determines that it will, following the Closing, merge or consolidate Company with and into Buyer, Seller shall assist and cooperate with Buyer, at Buyer's request and Buyer's cost and expense, with respect to the transfer of all existing Permits to Buyer and with respect to Buyer's satisfaction of its regulatory requirements in connection therewith.

Section 6.13 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the Closing, at any Party's request and without further consideration, the other Party will execute and deliver to such Party such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information and take such other actions as such Party may reasonably request in order to consummate the transactions contemplated by this Agreement.

Section 6.14 Schedules. (a) Seller may, from time to time prior to and up to the Closing Date, by written notice to Buyer, disclose (including by adding new schedules) any fact, matter, condition, event or circumstance based on any new facts that arise following the date of this Agreement and that are necessary to correct any matter that would otherwise constitute a breach of any representation or warranty of Seller in Article III or Article IV such that the closing condition in Section 2.7(b)(i) cannot be satisfied, and (b) Seller shall, on a monthly basis by written notice to Buyer, provide an update to the Required Update Schedules together with any documents underlying such update (each of the supplemental disclosures in (a) or (b) above, an "Update"); provided, that, such Updates must be delivered no later than the date that is ten (10) days prior to the anticipated Closing Date, other than with respect to any fact, matter,

condition, event or circumstance that occurs after such date; provided, further, that updates to any of (i) Schedule 1.1–DP (Design Package) and Schedule PND (Primavera Network Diagram), (ii) Schedule 4.5(c) (Purchased Assets), and (iii) Schedule 4.14(I) (Sufficiency of Land Contracts), shall each require Buyer’s prior written approval, not to be unreasonably withheld, conditioned or delayed, unless any such update described in clauses (i) to (iii) constitutes a material deviation from the Scope of Work or could reasonably be expected to affect the ability to satisfy Section 2.7(b)(xv), in which case Buyer may withhold its approval in its sole discretion. For the avoidance of doubt, the uploading of documents to the Data Site or other delivery of documents to Buyer or Seller, as applicable, shall not constitute written notice of an Update. If the facts, matters, conditions, events or circumstances disclosed in the Update (collectively, “**Update Matters**”), individually or in the aggregate, have or would reasonably be expected to have, a Material Adverse Effect, and such Update Matters were not matters consented to by Buyer in accordance with Section 6.4, Buyer may terminate this Agreement pursuant Section 2.8(a)(ix) upon written notice delivered to Seller within fifteen (15) Business Days following receipt from Seller of the relevant Update; provided, however, that, if Buyer does not exercise such termination right and the Closing shall occur, then, notwithstanding anything to the contrary in this Agreement (including Article VII) the Update Matters may not be the basis for any indemnification by Seller pursuant to Section 7.2. If the Update Matters disclosed in an Update delivered pursuant to clause (a) above do not have, and would not reasonably be expected to have, a Material Adverse Effect, and such Update Matters were not matters consented to by Buyer in accordance with Section 6.4, then such Update Matters and/or the failure of a representation and warranty made by Seller in this Agreement to be true as described in the relevant Update shall not be grounds for Buyer to refuse to perform its obligations to effect the Closing, but if the Closing shall occur despite the fact that Seller had notified Buyer, as contemplated above, of any such Update Matters, then, notwithstanding anything to the contrary in this Agreement (including Article VII) the Update Matters in such Update delivered pursuant to clause (a) above that constituted breaches of one or more representations or warranties of Seller in Article III or Article IV as of the date hereof or as of the Closing Date may be the basis for any indemnification by Seller pursuant to Section 7.2(a), provided that Buyer delivers written notice in accordance with Section 8.1, within twenty (20) Business Days of the relevant Update, to Seller reserving its rights under Article VII hereof with respect to all or any portion of the Update Matters included in such Update and such notice specifying (to the extent practicable and in reasonable detail) (i) the basis for such possible indemnification by Seller pursuant to Section 7.2(a) which is presented by the applicable Update Matter, and (ii) the amount of (or Buyer’s good faith estimate of) the Losses which could be incurred by, or imposed upon, a member of the Buyer Group on account of the basis for such possible claim for indemnification (each hereafter, an “**Indemnity Exception**”); provided, that the information provided by Buyer pursuant to the immediately preceding items (i) and (ii) shall not be binding on Buyer. If Seller’s aggregate liability under Article VII in respect of Indemnity Exceptions would reasonably be expected to exceed an amount equal to six million three hundred forty-eight thousand dollars (\$6,348,000) (the “**IE Threshold**”), Seller may, within ten (10) Business Days following its receipt of the applicable Indemnity Exception, deliver to Buyer notice of its intention to terminate this Agreement in accordance with Section 2.8(a)(x); provided, that Seller shall not have any right to terminate this Agreement pursuant to this sentence after such date; and, provided further, that if Seller has delivered such a termination notice Buyer shall have the right, but not the obligation, to notify Seller in writing within ten (10)

Business Days after receipt of such termination notice that Buyer rescinds the Indemnity Exception at issue to the extent the same, together with all other prior Indemnity Exceptions, exceed the IE Threshold (the “*Rescinded Indemnity Exception*”), in which case such termination notice shall be deemed withdrawn and the Update Matters that are the subject of the Rescinded Indemnity Exception may not be the basis for any indemnification by Seller pursuant to Section 7.2(a).

Section 6.15 Release.

(a) For and in consideration of the amounts payable to Seller under this Agreement, effective as of the Closing, Seller and its Affiliates (other than the Company) (the “*Seller Releasing Parties*”), do hereby irrevocably and unconditionally release and forever discharge Buyer, the Company and each of their respective Related Parties (the “*Buyer Released Parties*”) from any and all Released Claims that any of the Seller Releasing Parties has or may have, now or in the future; provided, however, that Seller and its Related Parties reserve their rights arising under this Agreement and the Company Assignment Agreement. This release is for any relief, no matter how denominated, including injunctive relief, compensatory damages or punitive damages. Effective as of the Closing, Seller and its Affiliates (other than the Company), further irrevocably covenant and agree not to make any claim in respect of any Released Claim or commence or join any suit, action or proceeding against any of the Buyer Released Parties with respect to or on account of any Released Claim.

(b) For and in consideration of the transfer of the Shares under this Agreement, effective as of the Closing, Buyer and its Affiliates (including the Company) (the “*Buyer Releasing Parties*”), do hereby irrevocably and unconditionally release and forever discharge Seller, and each of its Related Parties (the “*Seller Released Parties*”) from any and all Released Claims that any of the Buyer Releasing Parties has or may have, now or in the future; provided, however, that Buyer and its Related Parties reserve their rights arising under this Agreement and the Company Assignment Agreement. This release is for any relief, no matter how denominated, including injunctive relief, compensatory damages or punitive damages. Effective as of the Closing, Buyer, and its Affiliates (including the Company), further irrevocably covenant and agree not to make any claim in respect of any Released Claim or commence or join any suit, action or proceeding against any of the Seller Released Parties with respect to or on account of any Released Claim.

(c) For purposes of this Section 6.15, the following terms have the meanings set forth below:

(i) “*Released Claims*” means any and all liabilities, obligations, causes of action, costs and expenses arising under any theory of contract, tort, breach of duty, strict liability, contribution, unjust enrichment, or any other theory of liability of any jurisdiction, whether known or Unknown Claims and of any nature whatsoever (including negligence or gross negligence but excluding Fraud), in each case (A) that arose at or prior to the Closing or that relate to or arise out of a condition or event that arose at, or that existed or occurred prior to, the Closing and (B) which in any way relate

to or arise out of or are connected with (1) the Project, the Company or the Company's Assets, (2) any of the Seller Released Parties' or Buyer Released Parties', as applicable, direct or indirect ownership of the Company or any ownership or development of the Project or the Company's Assets, (3) Seller's or Buyer's status, as applicable, as an equity owner of the Company or any rights of Seller or Buyer, as applicable, under the Company's organizational or governing agreements, (4) the ownership or the sale and transfer of the Shares, or (5) any right of contribution, right of indemnity or other right or remedy against the Company and/or its current or former Affiliates, officers, directors, employees or other personnel, in connection with any indemnification obligation or any other Liability to which Seller or Buyer, as applicable, may become subject under or in connection with this Agreement.

(ii) ***“Related Parties”*** means, as to a Party, each of such Party's respective Affiliates, successors, assigns, and each of their respective present and former Representatives.

(iii) ***“Unknown Claims”*** means any and all Released Claims which any of the Buyer Releasing Parties or Seller Releasing Parties, as applicable, and their respective Related Parties does not know or suspect exists in its favor at the time of the release of the Seller Released Claims or Buyer Released Claims, as applicable, including those which if known by such Person might have affected such Person's decision(s) with respect to the releases set forth in this Section 6.15.

(d) With respect to any and all Released Claims, the Parties stipulate and agree that the Releasing Parties shall be deemed to have expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

(e) **The Parties acknowledge that the inclusion of “Unknown Claims” in the definition of Released Claims was separately bargained for and was a key element of this Agreement. The Releasing Parties acknowledge that they may hereafter discover facts which are different from or in addition to those that they may now know or believe to be true with respect to any and all claims, counterclaims, cross-claims, demands, rights, liabilities and causes of action herein released and agree that all Unknown Claims are nonetheless released and that this Agreement shall be and remain effective in all respects even if such different or additional facts are subsequently discovered.**

Section 6.16 Build Out Restrictions. Seller shall not Implement or cause to be Implemented, or permit any Other Seller Entity to Implement or cause to be Implemented, any Subsequent Wind Farm unless Seller or the applicable Other Seller Entity enter into a build-out agreement with the Company in a form satisfactory to the Company and Buyer (and satisfactory

to any providers of debt and equity (including tax equity) financing for the Project) protecting the Company from any and all adverse impact (including wake effect, increased operations & maintenance costs, interconnection or transmission effect, etc.) of the Subsequent Wind Farm. Seller agrees that any direct or indirect owner of the Company and their respective current and future providers of debt and equity (including tax equity) financing shall be a third-party beneficiary of this Section 6.16, with full rights to enforce the provisions hereof and exercise the attendant remedies available at law or in equity, including those contemplated in Section 8.14.

Section 6.17 Support Obligations.

(a) Buyer acknowledges that Affiliates of the Company (each a “**Support Obligor**”) have provided certain Support Obligations (as identified on Schedule 4.13(b)).

(b) Prior to the Closing Date, Buyer shall use Commercially Reasonable Efforts to procure the replacement of such Support Obligations with the beneficiaries thereof such that on or prior to the Closing Date such and Support Obligations are released.

(c) If Buyer cannot effect such release prior to Closing (each such Support Obligation, until such time as such Support Obligation is released in accordance with this Section 6.17, a “**Continuing Support Obligation**”), then Seller or its Affiliates shall keep in place such guaranty, letter of credit or other instrument as is necessary to maintain each Continuing Support Obligation; provided that as a condition to the continuing maintenance of the Continuing Support Obligation:

(i) Buyer shall deliver to Seller at the Closing in accordance with this Section 6.17 support in the form permitted under the applicable Contract or obligation, in an amount equal to the maximum amount of exposure under any Continuing Support Obligation (the “**Continuing Support Instrument**”).

(ii) From and after the Closing, Buyer hereby agrees to indemnify and hold harmless Seller and its Affiliates (as applicable) from and against any and all Losses that may be suffered, incurred or sustained by any of them or to which any of them become subject, resulting from, arising out of or relating to any such Support Obligation being in effect on or after the Closing Date (including as a result of any draw or demand for or making of any payment by Seller or any such Affiliate of Seller under any Support Obligation) with respect to the full extent of such Support Obligation (the “**Support Indemnity**”). In furtherance, and not limitation, of the forgoing, if any claim is made against a Continuing Support Obligation, or if a Continuing Support Obligation is drawn upon, as applicable, after the Closing Date, upon receipt of written notice thereof from Seller, Buyer shall pay Seller the amount so claimed or drawn within five (5) Business Days after the date of such written notice. If Buyer fails to pay Seller or its designee during such five (5) Business Day period, Seller may draw upon or otherwise enforce the terms of the Continuing Support Instrument in accordance with the terms thereof.

(iii) From and after the Closing, Buyer shall continue to use Commercially Reasonable Efforts to procure the release of such Continuing Support Obligations.

(iv) From and after the Closing, Buyer shall not, and shall cause the Company not to, effect any amendments or modifications or any other changes to the contracts or obligations to which any of the Continuing Support Obligations relate, or to otherwise take any action that would increase the liability of the Support Obligor under any Continuing Support Obligation or extend the stated maturity of any Continuing Support Obligation, without first notifying Seller in writing thereof and expressly agreeing that the Support Indemnity extends to such increased or extended liability.

(d) Prior to Closing, Buyer shall have the right to contact and have discussions with each beneficiary of a Support Obligation in order to satisfy its obligations under this Section 6.17, provided that Buyer shall give Seller not less than five (5) Business Days' prior written notice before making any such contact. Seller shall have the right to have one of its Representatives present via telephone or in person, as applicable, during any such contact or discussion. Buyer shall only contact and hold discussions with such beneficiaries through Representatives of Buyer previously approved by Seller, and Buyer shall cause such Representatives to comply with all reasonable procedures and protocols regarding such contacts and discussions that may be established by Seller.

Section 6.18 Wind Data. Buyer shall cause the Company to provide to Seller, and Seller shall agree to receive, Wind Data prepared prior to the Closing Date by executing a wind data license agreement in the form attached as Exhibit C.

ARTICLE VII

INDEMNIFICATION, LIMITATIONS OF LIABILITY AND WAIVERS

Section 7.1 Survival. All representations, warranties, covenants and obligations in this Agreement will survive the Closing until the date that is two (2) years after the Closing Date, except that (a) the Designated Representations, Section 6.15 (Release), Section 6.16 (Build Out Restriction), and Section 6.17 (Support Obligations) will each survive the Closing indefinitely, (b) Claims under Section 7.2(f) and Section 7.3(e) must be brought no later than sixty (60) days following the expiration of the applicable statute of limitations, and (c) Claims for breach of the covenants and agreements in this Agreement with respect to Taxes and Production Tax Credits must be brought no later than sixty (60) days following the expiration of the applicable statute of limitations with respect to such Taxes or Production Tax Credits.

Section 7.2 Indemnification by Seller. Subject to Sections 7.1 and 7.4, from and after the Closing Date, Seller will indemnify Buyer and its Affiliates and Representatives (the "**Buyer Group**") from and against all Losses arising, directly or indirectly, from or in connection with:

(a) any breach of any representation or warranty of Seller made in the Company Assignment Agreement or Article III or Article IV of this Agreement;

(b) Claims brought against the Company by Persons who were the officers, members, directors or managers of the Company prior to the Closing and which Claims

arose from such Persons' role as officer, member, director or manager of the Project Company through the Closing;

(c) any breach of any covenant, agreement or other obligation of Seller contained in this Agreement or the Company Assignment Agreement;

(d) the retention of the Excluded Liabilities by Seller;

(e) Taxes of the Company, or for which the Company may be liable under a tax allocation or tax sharing agreement or tax indemnity or similar arrangement to the extent attributable to any Pre-Closing Tax Period; and

(f) claims based on any gross negligence, Fraud or willful misconduct by Seller or its Affiliates in connection with this Agreement.

Section 7.3 Indemnification by Buyer. Subject to Sections 7.1 and 7.4, from and after the Closing Date, Buyer will indemnify Seller and its Affiliates and Representatives (the "**Seller Group**") from and against all Losses arising, directly or indirectly, from or in connection with:

(a) any breach of any representation or warranty made in the Company Assignment Agreement or Article V of this Agreement;

(b) any breach of any covenant, agreement or other obligation of Buyer contained in this Agreement or the Company Assignment Agreement;

(c) any Transfer Taxes;

(d) Taxes of the Company to the extent attributable to any period (or portion thereof) that is not a Pre-Closing Tax Period; and

(e) claims based on any gross negligence, Fraud or willful misconduct by Buyer or its Affiliates in connection with this Agreement.

Section 7.4 Limitations on Liability. Notwithstanding any contrary provision in this Agreement:

(a) Time Bar on Claims. No Indemnified Party will be entitled to any recovery (including by way of off-set) from any Indemnifying Party unless a Notice of Claim has been given on or before the expiration of time period for survival set forth in Section 7.1.

(b) Insurance Recoveries. Losses for which any Indemnified Party will be reimbursed hereunder will be decreased by insurance proceeds or payments from any other responsible parties actually received by such Indemnified Party (after deducting costs and expenses incurred in connection with recovery of such proceeds) and will be increased to take account of any net tax cost incurred by the Indemnified Party in the year any indemnification payment for such Losses was received (or an earlier year) arising

from the receipt of any such payment hereunder (grossed up for such increase) and will be decreased to take into account any net tax benefit realized by the Indemnified Party in the year the Losses were incurred or paid (or an earlier year) arising from the incurrence or payment of any such Losses.

(c) Threshold. An Indemnified Party will be entitled to make a Claim for indemnification under Section 7.2(a) or Section 7.3(a), as applicable, for any and all Claims individually valued at or above ten thousand dollars (\$10,000) once the aggregate amount of all Claims by such Indemnified Party exceeds seven hundred sixty-five thousand dollars (\$765,000) and such amount shall not act as a deductible (the “**Threshold**”); provided, that the Threshold will not apply to or otherwise be comprised of (i) any Losses relating to a breach by Seller of the Designated Representations of Seller and (ii) any Losses relating to a breach by Buyer of the Designated Representations of Buyer.

(d) Tax Treatment. Any indemnity payment made pursuant to this Agreement will be treated as an adjustment to the Purchase Price for Tax purposes, unless (i) an audit or other administrative or judicial action with respect to the Indemnified Party causes any such payment not to constitute an adjustment to the Purchase Price for U.S. federal income Tax purposes, (ii) otherwise determined by agreement of the Parties hereto, or if there is no agreement, by an opinion of a nationally-recognized tax counsel selected by Buyer and reasonably acceptable to Seller that such amount is “more likely than not” includable as income of the recipient for income tax purposes, or (iii) otherwise required by Law. The amount of any indemnity payment not constituting an adjustment to the Purchase Price for U.S. federal income tax purposes in accordance with the immediately preceding sentence will be grossed up and paid on an after-tax basis (assuming the highest marginal federal, state and local income tax rates then applicable to corporations).

(e) Maximum Liability. Buyer and the other members of Buyer Group will not be entitled to recover from Seller for any Indemnity Claim under Section 7.2(a) of this Agreement any monetary amount in respect of Losses in excess of the Indemnity Cap in the aggregate for all such Indemnity Claims. Seller and the other members of Seller Group will not be entitled to recover from Buyer for any Indemnity Claim under Section 7.3(a) of this Agreement any monetary amount in respect of Losses in excess of the Indemnity Cap in the aggregate for all such Indemnity Claims. Notwithstanding the foregoing, (i) Claims with respect to a breach of a Designated Representation or a breach of the Support Indemnity, or claims based on Fraud or willful misconduct, and (ii) any payment of legal fees constituting Losses by the losing party in a dispute, shall not be subject to the Indemnity Cap; provided, however, that in no event shall Seller be required to indemnify Buyer or any other members of the Buyer Group for Losses hereunder in excess of the Purchase Price, except in the case of Section 6.15 (Release), Section 6.16 (Build Out Restriction), Section 7.2(d) (Excluded Liabilities), Section 7.2(e) (Indemnification for certain Taxes), and Section 7.2(f) (Claims based on Fraud).

(f) Qualifications. Notwithstanding anything in this Agreement to the contrary, for purposes of the indemnification obligations under this Article VII, the representations and warranties contained in this Agreement will be considered without

regard to any “material,” “Material Adverse Effect” or similar non-monetary qualifications (other than Knowledge qualifications) contained therein for purposes of determining the amount of any Losses.

Section 7.5 Procedures for Third Party Claims.

(a) Promptly after receipt by an Indemnified Party of notice of the commencement of any Action by a third party (a “**Third Party Claim**”) with respect to any matter for which indemnification is or may be owing pursuant to Section 7.2 or Section 7.3 hereof, the Indemnified Party will give notice thereof to the Indemnifying Party, provided, however, that the failure of the Indemnified Party to notify the Indemnifying Party will not relieve the Indemnifying Party of any of its obligations hereunder, except to the extent that the Indemnifying Party demonstrates that the defense of such Third Party Claim has been actually prejudiced by the Indemnified Party’s failure to give such notice.

(b) If any Action referred to in Section 7.5(a) is brought against an Indemnified Party or the Company and the Indemnified Party gives notice to the Indemnifying Party of the commencement of such Action, the Indemnifying Party will be entitled to participate in such Action, and (unless (i) the Indemnifying Party is also a party to such Action and the Indemnified Party determines in good faith that joint representation would be inappropriate upon the advice of outside counsel that a conflict of interest exists between the Indemnified Party and the Indemnifying Party with respect to such Action, or (ii) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Party of its financial capacity to defend such Action and provide indemnification with respect to such Action) may assume the defense of such Action with counsel reasonably satisfactory to the Indemnified Party and, after notice from the Indemnifying Party to the Indemnified Party of its election to assume the defense of such Action, the Indemnifying Party will not, as long as it diligently conducts such defense, be liable to the Indemnified Party under this Section 7.5 for any fees of other counsel with respect to the defense of such Action, in each case subsequently incurred by the Indemnified Party in connection with the defense of such Action.

(c) If the Indemnifying Party is entitled to and assumes the defense of an Action, no compromise or settlement of such Claims or Action may be effected by the Indemnifying Party without the Indemnified Party’s written consent unless (i) there is no effect on or grounds for the basis of any other Claims that may be made against the Indemnified Party, (ii) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and/or performance that is performed in full by the Indemnifying Party, and (iii) the Indemnified Party will have no Liability with respect to any compromise or settlement of such Claims or Action. Notwithstanding the assumption by the Indemnifying Party of the defense of any Claim or Action, the Indemnified Party will be permitted to join in such defense and to employ counsel at its own expense. Subject to Section 7.5(d), notwithstanding anything to the contrary contained in this Agreement, the Indemnified Party shall not compromise or settle any Third Party Claim or agree to extend any applicable statute of limitations without the prior written approval of the Indemnifying Party.

(d) Notwithstanding the foregoing, if there is a reasonable probability that an Action may result in the Indemnified Party or its Affiliates having to pay monetary Losses for which it would not be entitled to indemnification under this Agreement or having to perform specific performance, the Indemnified Party may, by notice to the Indemnifying Party, assume the exclusive right to defend, compromise or settle such Action, but the Indemnifying Party will not be bound by any compromise or settlement thereof effected without its written consent or any other result occurring after the Indemnifying Party reasonably requested a compromise or settlement that would have been fully performed by the Indemnifying Party but such request was rejected by the Indemnified Party.

(e) The Indemnifying Party and the Indemnified Party agree to provide each other with reasonable access during regular business hours to the properties, books and records and Representatives of the other, as reasonably necessary in connection with the preparation for an existing or anticipated Action involving a Third Party Claim and its obligations with respect thereto pursuant to this Article VII.

Section 7.6 Indemnification Procedures. The following procedures will apply to any Claim for indemnification by the Buyer Group or the Seller Group that does not involve a Third Party Claim:

(a) Notice of Claim. A Notice of Claim will be given as soon as practicable, but in no event later than sixty (60) days, after the Indemnified Party determines that it is or may be entitled to indemnification pursuant to this Agreement; provided, however, that failure to provide notice will not prejudice the Indemnified Party's right to indemnity, except to the extent the Indemnifying Party prejudiced by the Indemnified Party's failure to give such notice. Notice of Claim will be made as follows:

(i) in the case of any Indemnity Claim by any member of the Buyer Group, by Buyer to Seller at the address and in the manner provided in Section 8.1 (Notices). Buyer will be the Indemnified Party with respect to Indemnity Claims pursuant to Section 7.2, and (except as provided in Section 7.5) no liability in respect of any such Indemnity Claim will be contested, settled, admitted, litigated or otherwise dealt with by or on behalf of Buyer Group for this purpose by any Person other than Buyer or its designee; and

(ii) in the case of any Indemnity Claim by any member of the Seller Group against Buyer, by Seller to Buyer at the address and in the manner provided in Section 8.1 (Notices). Seller will be the Indemnified Party with respect to Indemnity Claims pursuant to Section 7.3, and (except as provided in Section 7.5) no liability in respect of any such Indemnity Claim will be contested, settled, admitted, litigated or otherwise dealt with by or on behalf of the Seller Group for this purpose by any Person other than Seller or its designee.

(b) Dispute Notice. If the Indemnifying Party disputes (i) its obligation to indemnify the Indemnified Party in respect of any Indemnity Claim set forth in a Notice of Claim, or (ii) the Indemnity Claim Amount set forth in a Notice of Claim, a dispute

notice (“*Dispute Notice*”) will be given as soon as practicable, but in no event later than twenty (20) Business Days, after the Notice of Claim is given, as follows:

(i) in the case of any Indemnity Claim by any member of Buyer Group against Seller, a Dispute Notice may be given only by Seller, and if given, will be sent by Seller to Buyer at the address and in the manner provided in Section 8.1 (Notices); and

(ii) in the case of any Indemnity Claim by any member of the Seller Group against Buyer, a Dispute Notice may be given only by Buyer, and if given, will be sent by Buyer to Seller at the address and in the manner provided in Section 8.1 (Notices).

(A) If no Dispute Notice is given within such twenty (20) Business Days period, the validity of the claim for indemnification and the Indemnity Claim Amount, each as set forth in the Notice of Claim, will be deemed to be agreed, effective on the first (1st) day following such twenty (20) Business Days period, and the Indemnity Claim Amount set forth in the Notice of Claim will immediately be an Indemnity Amount Payable by the relevant Indemnifying Party.

(B) If a Dispute Notice is given within such twenty (20) Business Days period, then:

(1) The portion, if any, of the Indemnity Claim Amount which is not disputed in the Dispute Notice will immediately be an Indemnity Amount Payable by the relevant Indemnifying Party.

(2) Buyer and Seller will negotiate in good faith to settle the dispute, and the portion, if any, of the Indemnity Claim Amount which Buyer and Seller agree in writing is payable will immediately be an Indemnity Amount Payable by the relevant Indemnifying Party.

(3) If Buyer and Seller are unable to resolve any portion of the Indemnity Claim Amount within two (2) months following the date the Dispute Notice is given, either Buyer or Seller may initiate proceedings specified in Section 8.12 (Governing Law; Venue; and Jurisdiction) of this Agreement to obtain resolution of the dispute.

(4) If neither Buyer nor Seller initiates legal proceedings in respect of the dispute within twelve (12) months following the date the Dispute Notice is given, the portion of the Indemnity Claim Amount which is disputed will not be an Indemnity Amount Payable, and the Indemnified Party will have no further right, under this Agreement, to seek to recover such amount from the Indemnifying Party.

(5) If Buyer or Seller initiates legal proceedings within the twelve (12) month period specified in Section 7.6(b)(ii)(B)(4), the

amount, if any, determined in a Final Order as payable by the Indemnifying Party will be an Indemnity Amount Payable by the relevant Indemnifying Party as of the date of such Final Order.

Section 7.7 Payments of Indemnity Amounts Payable by Buyer. Subject to the limitations in Section 7.4, Buyer will pay to each relevant Indemnified Party any Indemnity Amount Payable by Buyer, by wire transfer of immediately available funds (or as otherwise directed pursuant to any Final Order or as otherwise agreed by the Indemnified Party and the Indemnifying Party) to an account designated by Seller, promptly and in no event later than five (5) Business Days after such Indemnity Amount Payable is established in accordance with this Agreement.

Section 7.8 Payments of Indemnity Amounts Payable by Seller. Subject to the limitations in Section 7.4, any Indemnity Amount Payable by Seller to each relevant Indemnified Party will be paid by wire transfer of immediately available funds (or as otherwise directed pursuant to any Final Order or as otherwise agreed by the Indemnified Party and the Indemnifying Party) to an account designated by Buyer, promptly and in no event later than five (5) Business Days after such Indemnity Amount Payable is established in accordance with this Agreement.

Section 7.9 Mitigation; Exclusive Remedy.

(a) Each Party shall use Commercially Reasonable Efforts to mitigate all Losses incurred relating to any breach of this Agreement by the other Party hereto, including availing itself of any commercially reasonable defenses, limitations, rights of contribution, claims against third parties and other rights at law or in equity.

(b) Subject to Section 8.12(c)(ii) and Section 8.14, (i) the indemnification obligations of the Parties contained in this Agreement shall, if the Closing occurs, be the sole and exclusive remedy of the Parties hereto and their Affiliates and Representatives, successors and assigns with respect to any and all claims for Losses sustained or incurred arising out of or relating to any breach of representation, warranty, covenant or agreement contained in this Agreement, and (ii) prior to the Closing, except as expressly limited herein, the Parties may pursue any remedy or relief available under applicable Law; provided, that any such Claim shall be expressly limited by the provisions of this Agreement, including Section 7.4. Subject to Section 8.14, from and after the Closing, each Party hereby expressly waives and disclaims, and agrees that it shall not assert, any right, remedy (including the remedy of rescission) or claim in respect of any such breach or Loss based on any cause or form of action whatsoever, except as and to the extent permitted in this Article VII. This provision shall not limit any available remedy of the Party seeking indemnification for any Losses pursuant to Section 7.2(f) or Section 7.3(e). Nothing in this Section 7.9 is intended to constitute a waiver or limitation of any rights that either Party (or their respective Affiliates) may have to assert claims against third parties, including contractors performing any work in connection with the Project.

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Notices.

(a) Unless this Agreement specifically requires otherwise, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, will be in writing and will be deemed properly served, given or made if delivered in person or sent by facsimile or email (in the case of delivery by facsimile or email, solely if receipt is confirmed) or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the Parties at the addresses specified below:

If to Buyer, to:

Southwestern Public Service Company
414 Nicollet Mall, 401-04
Minneapolis, MN 55401-1927
Attention: George E. Tyson II, Senior Vice President, Corporate Development
Telephone: (612) 215-4627
Facsimile: (612) 215-4575
Email: george.tyson@xcelenergy.com

With a copy to:

Southwestern Public Service Company
414 Nicollet Mall, 401-09
Minneapolis, MN 55401-1927
Attention: Scott Wilensky, Executive Vice President and General Counsel
Telephone: (612) 330-5942
Facsimile: (612) 215-9025
Email: scott.wilensky@xcelenergy.com

And a copy to (which shall not constitute notice):

Orrick, Herrington & Sutcliffe LLP
Suite 4100
1301 McKinney Street
Houston, TX 77010
Attention: Dahl Thompson
Telephone: (713) 658-6611
Facsimile: (713) 658-6401
Email: Dahl.thompson@Orrick.com

If to Seller, to:

ESI Energy, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: Vice President, Wind Development
Telephone: (561) 691-7232
Facsimile: 561) 691-7305
Email: john_didonato@NEE.com

with a copy to:

For notices to Seller not relating to Section 2.7(d) to:
ESI Energy, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: Vice President and General Counsel
Telephone: (561) 304-7126
Facsimile: (561) 691-7305
Email: Mitch.Ross@NEE.com

For notices to Seller relating to Section 2.7(d) to:
700 Universe Boulevard
Juno Beach, FL 33408
Telephone: (561) 304-5452
Attention: Dru Roscoe, Esq.
Email: Dru.roscoe@nee.com

(b) Notices given by personal delivery, mail or overnight courier pursuant to this Section 8.1 will be effective upon physical receipt. Notices given by facsimile or email pursuant to this Section 8.1 will be effective as of the date of confirmed delivery if delivered before 5:00 p.m., central time, on any Business Day or the next succeeding Business Day if confirmed delivery is after 5:00 p.m., central time, on any Business Day or during any non-Business Day.

Section 8.2 Entire Agreement. Except for the Confidentiality Agreement, this Agreement and the Company Assignment Agreement supersede all prior discussions and agreements between the Parties with respect to the subject matter hereof, and this Agreement, the Company Assignment Agreement, and the Confidentiality Agreement contain the sole and entire agreement between the Parties hereto with respect to the subject matter hereof. The Parties hereto have voluntarily agreed to define their rights, liabilities and obligations with respect to the subject matter hereof exclusively in contract pursuant to the express terms and provisions of this Agreement, the Company Assignment Agreement, and the Confidentiality Agreement; and the Parties hereto expressly disclaim that they are owed any duties or are entitled to any remedies not expressly set forth in this Agreement. Furthermore, the Parties each hereby acknowledge that this

Agreement embodies the justifiable expectations of sophisticated parties derived from arm's-length negotiations. All Parties specifically acknowledge that no Party has any special relationship with another Party that would justify any expectation beyond that of an ordinary buyer and an ordinary seller in an arm's-length transaction. Subject to Article VII, the sole and exclusive remedies for any breach of the terms and provisions of this Agreement (including any representations and warranties set forth herein, made in connection herewith or as an inducement to enter into this Agreement) or any claim or cause of action otherwise arising out of or related to the subject matter hereof will be those remedies available at law or in equity for breach of contract only (as such contractual remedies have been further limited or excluded pursuant to the express terms of this Agreement); and the Parties hereby agree that neither Party hereto will have any remedies or causes of Action (whether in contract or in tort) for any statements, communications, disclosures, failures to disclose, representations or warranties not set forth in this Agreement, absent Fraud.

Section 8.3 Expenses. Except as otherwise expressly provided in this Agreement, whether or not the transactions contemplated hereby are consummated, each Party will pay its own costs and expenses incurred in anticipation of, relating to and in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby, including all expenses and costs incurred to obtain approvals required by such Party from Governmental Authorities.

Section 8.4 Disclosure. Seller may, at its option, include in the Schedules items that are not material in order to avoid any misunderstanding, and any such inclusion, or any references to dollar amounts, will not be deemed to be an acknowledgment or representation that such items are material, to establish any standard of materiality or to define further the meaning of such terms for purposes of this Agreement. Information disclosed in any Schedule will constitute a disclosure for purposes of all other Schedules notwithstanding the lack of specific cross-reference thereto, but only to the extent the applicability of such disclosure to such other Schedule is readily apparent. In no event will the inclusion of any matter in the Schedules be deemed or interpreted to broaden Seller's representations, warranties, covenants or agreements contained in this Agreement. The mere inclusion of an item in the Schedules will not be deemed an admission by Seller that such item represents a material exception or fact, event, or circumstance or that such item is reasonably likely to result in a Material Adverse Effect. Subject to Section 6.14, each Party will promptly notify the other Party upon becoming aware of (a) the occurrence, or failure to occur, of any event, which occurrence or failure has caused any representation or warranty of such Party contained in this Agreement or in any exhibit, Schedule, certificate, document or written instrument attached hereto to be untrue or inaccurate in any material respect, (b) any material failure of such Party to comply with, perform or satisfy, in any respect, any covenant, condition or agreement to be complied with, performed by or satisfied by it under this Agreement or any exhibit, Schedule, certificate, document or written instrument attached hereto, and (c) any notice or other communication from any Governmental Authority in connection with this Agreement, the Company Assignment Agreement or the transactions contemplated herein and therein; provided, that, subject to Section 6.14, such disclosure will not be deemed to cure, or to relieve any Party of any liability or obligation with respect to, any breach of or failure to satisfy any representation, warranty, covenant or agreement or any condition hereunder, and will not affect any Party's right with respect to indemnification

hereunder. In the event of a conflict between a provision in this Agreement and a Schedule, the provision in this Agreement will govern.

Section 8.5 Waiver. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver will be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, will be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

Section 8.6 Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party.

Section 8.7 No Third Party Beneficiary. Except for the provisions of Section 6.16, Section 7.2 and Section 7.3 (which are intended for the benefit of the Persons identified therein), the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person. For the avoidance of doubt, no Person who is not a Party to this Agreement, may challenge any termination of this Agreement, for any reason, or enforce or seek to enforce any provisions of this Agreement (except as set forth in the first sentence of this Section 8.7).

Section 8.8 Assignment; Binding Effect. Buyer may assign its rights under this Agreement to any Affiliate or to Buyer's lenders for collateral security purposes, but such assignment will not release Buyer from its obligations hereunder. Except as provided in the preceding sentence, neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party without the prior written consent of the other Party. For the avoidance of doubt, no merger or consolidation of the Company with or into Buyer or any Affiliate of Buyer, or any other assignment by operation of Law, shall constitute a breach of this Agreement.

Section 8.9 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

Section 8.10 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, such provision will be fully severable, this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

Section 8.11 Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will

constitute one and the same instrument. Any facsimile or portable document format (.pdf) copies hereof or signature hereon will, for all purposes, be deemed originals.

Section 8.12 Governing Law; Venue; and Jurisdiction.

(a) This Agreement, and all Claims or causes of Action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any Claim or cause of Action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), will be governed by the Laws of the State of New York without giving effect to any conflict or choice of law provision.

(b) The Parties hereby irrevocably submit to the exclusive jurisdiction of the federal court in the Southern District of New York for purposes of any suit, Action or other proceeding arising out of this Agreement or any transaction contemplated hereby and each Party hereby consents to the jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such suit, Action or proceeding and irrevocably waives, to the fullest extent permitted by Law, any objection that it may now or hereafter have to the laying of the venue of any such suit, Action or proceeding in any such court or that any such suit, Action or proceeding that is brought in any such court has been brought in an inconvenient forum. During the period a legal dispute filed in accordance with this Section 8.12 is pending before a court, all Actions, suits or proceedings with respect to such legal dispute or any other legal dispute, including any counterclaim, cross-claim or interpleader, will be subject to the exclusive jurisdiction of such court. Each Party hereby waives, and will not assert as a defense in any legal dispute, that (i) such Party is not subject thereto, (ii) such Action, suit or proceeding may not be brought or is not maintainable in such court, (iii) such Party's property is exempt or immune from execution, (iv) such Action, suit or proceeding is brought in an inconvenient forum, or (v) the venue of such Action, suit or proceeding is improper. A final judgment in any Action, suit or proceeding described in this Section 8.12 following the expiration of any period permitted for appeal and subject to any stay during appeal will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Laws.

(b) The Parties hereby knowingly, voluntarily, intentionally and irrevocably (i) waive, to the maximum extent not prohibited by Law, any right they may have to a trial by a jury in respect of any litigation based hereon, or directly or indirectly at any time arising out of, under or in connection with this Agreement or any transaction contemplated hereby or associated herewith, (ii) waive, to the maximum extent not prohibited by Law, any right they may have to claim or recover in any such litigation or arbitration any "Special Damages", as defined below, and (iii) acknowledge

that they have been induced to enter into this Agreement and the transactions contemplated hereby by, among other things, the mutual waivers and certifications contained in this Section 8.12, in each case it being the express intent, understanding, and agreement of the Parties that such waivers are to be given the fullest effect, notwithstanding the negligence (whether sole, joint or concurrent), strict liability or other legal fault of any Party. As used in this herein, "Special Damages" means all special, consequential, exemplary or punitive damages (regardless of how named), but does not include any payments or funds which any Party has expressly promised to pay or deliver to any other Party or any Claims of any third party for which one Party has agreed to indemnify the other Party under this Agreement and provided that the loss, disallowance or inability to claim or monetize Production Tax Credits under Section 45 of the Code will not be deemed Special Damages.

Section 8.13 Waiver of Remedies; Legal Fees.

(n) All Claims, obligations, Liabilities, or causes of Action (whether in contract or in tort, in law or in equity, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, or the negotiation, execution, or performance of this Agreement (including any representation or warranty made in, in connection with, or as an inducement to, this Agreement), may be made only against (and are those solely of) Seller and Buyer ("***Contracting Parties***"). No Person who is not a Contracting Party, including without limitation any director, officer, employee, incorporator, member, partner, manager, stockholder, Affiliate, agent, attorney, or Representative of, and any financial advisor or lender to, any Contracting Party, or any director, officer, employee, incorporator, member, partner, manager, stockholder, Affiliate, agent, attorney, or Representative of, and any financial advisor or lender to, any of the foregoing ("***Nonparty Affiliates***"), will have any Liability (whether in contract or in tort, in law or in equity, or granted by statute) for any Claims, causes of Action, obligations, or Liabilities arising under, out of, in connection with, or related in any manner to this Agreement or based on, in respect of, or by reason of this Agreement or its negotiation, execution, performance, or breach; and, to the maximum extent permitted by law, each Contracting Party hereby waives and releases all such liabilities, claims, causes of action, and obligations against any such Nonparty Affiliates. Without limiting the foregoing, to the maximum extent permitted by Law, (i) each Contracting Party hereby waives and releases any and all rights, Claims, demands, or causes of Action that may otherwise be available at law or in equity, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose Liability of a Contracting Party on any Nonparty Affiliate, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise, and (ii) each Contracting Party disclaims any reliance upon any Nonparty Affiliates with respect to the performance of this Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement.

(o) Without duplication of any Losses covered pursuant to Section 7.2 or Section 7.3, if a court of competent jurisdiction determines that either Party has breached this Agreement, such breaching Party will reimburse the non-breaching Party for its costs and expenses (including reasonable legal fees and expenses) incurred in connection with such litigation.

Section 8.14 Specific Performance. The Parties acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches or threatened breaches of this Agreement and to specifically enforce the terms and provisions of this Agreement and any other agreement or instrument executed in connection herewith or contemplated hereby, and the Parties agree that specific performance is the remedy intended by the parties for any such breaches or threatened breaches. The Parties further agree that (a) by seeking the remedies provided for in this Section 8.14, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement, including monetary damages and (b) the commencement of any Action pursuant to this Section 8.14 or anything contained in this Section 8.14 shall not restrict or limit any other remedies under this Agreement that may be available then or thereafter.

Section 8.15 Reinstatement. If and to the extent that for any reason any payment made pursuant to this Agreement is rescinded or otherwise restored to the Party that originally made such payment or any other Person, whether as a result of any proceedings in bankruptcy or reorganization or otherwise or as a result of any settlement or compromise, the obligations of such Party hereunder shall automatically be reinstated, and such Party shall reimburse the other Party on demand all of its reasonable costs and expenses (including reasonable fees of counsel) incurred in connection with such rescission or restoration.

Section 8.16 Set Off. Buyer and Seller shall have the right to set-off against, and/or recover from, amounts otherwise due and payable by Buyer to Seller, by Seller to Buyer, or any successor or permitted assignee of Seller or Buyer, as the case may be, in each case pursuant to the provisions of this Agreement.

Section 8.17 Confidentiality.

(a) *Pre-Closing Confidential Information*. The terms of the Confidentiality Agreement are hereby incorporated by reference and shall continue in full force unless and until the Closing (if any), in which case the Confidentiality Agreement shall be deemed replaced in its entirety by the applicable provisions of this Section 8.17 (and related provisions of this Agreement). Any termination of this Agreement prior to the Closing shall not affect the continuing effectiveness of the Confidentiality Agreement. For the avoidance of doubt, the Confidentiality Agreement shall cover any and all information provided or otherwise made available to, or collected by, Buyer in accordance with Section 6.8.

(b) *Seller Confidential Information*. Buyer acknowledges that Seller Confidential Information (defined below) is valuable and proprietary to Seller and Buyer

agrees, from and after the Closing until the date that is five (5) years after such Closing, not to, directly or indirectly, use (to the material detriment to Seller or its Affiliates), publish, disseminate, describe or otherwise disclose any Seller Confidential Information to any Person (other than (x) Buyer's or its Affiliate's Representatives, or (y) Persons who provide financial analysis, financial ratings, banking, legal, accounting or other services to Buyer or its Affiliates, provided such Person has agreed not to disclose such information pursuant to an agreement with Buyer or its Affiliates or such Person has an obligation of confidentiality to Buyer or its Affiliates in each case at least as restrictive as the confidentiality terms herein, subject in each case to the disclosing Party hereby agreeing to be responsible for any breach of this Section 8.17(b) by such Representatives or such other Persons as if they were considered a Party for purposes hereof) without the prior written consent of Seller; provided Buyer may use or disclose Transactional Information in a manner which does not associate such Transactional Information with, or identify, Seller or its Affiliates. Information shall not be deemed to be Seller Confidential Information if (i) it is or has become generally known or available within the industry or the public though no act or omission of Buyer; (ii) Buyer can demonstrate that, prior to disclosure in connection with the transactions contemplated hereby, such information was already in the possession of Buyer; (iii) it was rightfully received by Buyer from a third party who became aware of it through no act or omission of Buyer and who is not known to Buyer to be under an obligation of confidentiality to Seller; or (iv) Buyer can demonstrate it was independently developed by employees or consultants of Buyer. "***Seller Confidential Information***" means (x) the terms and conditions of this Agreement ("***Transactional Information***") and (y) commercial, financial, and other business information of the Seller and its Affiliates provided by or on behalf of Seller to Buyer or its Affiliates (or their Representatives), including any and all information provided by or on behalf of Seller to Buyer or its Affiliates (or their Representatives) relating to the operation of Seller's or any of its Affiliate's businesses except, in the case of this clause (y), to the extent such information relates solely to the Company, the Project, the Purchased Assets or the Business.

(c) *Buyer Confidential Information.* Seller acknowledges that Buyer Confidential Information (defined below) is valuable and proprietary to Buyer and Seller agrees, from and after the Closing until the date that is five (5) years after such Closing, not to, directly or indirectly, use (to the material detriment to Buyer or its Affiliates, including the Acquired Companies), publish, disseminate, describe or otherwise disclose any Buyer Confidential Information to any Person (other than (x) Seller's or its Affiliate's Representatives, or (y) Persons who provide financial analysis, financial ratings, banking, legal, accounting or other services to Seller or Seller's Affiliates, provided such Person has agreed not to disclose such information pursuant to an agreement with Seller or Seller's Affiliates or such Person has an obligation of confidentiality to Seller or Seller's Affiliates in each case at least as restrictive as the confidentiality terms herein, subject in each case to the disclosing Party hereby agreeing to be responsible for any breach of this Section 8.17(c) by such Representatives or such other Persons as if they were considered a Party for purposes hereof) without the prior written consent of Buyer. Information shall not be deemed to be Buyer Confidential Information if (i) it is or has become generally known or available within the industry or the public though no act or omission of Seller, (ii) it was rightfully received by Seller

from a third party who became aware of it through no act or omission of Seller and who is not known to Seller to be under an obligation of confidentiality to Buyer, or (iii) Seller can demonstrate it was independently developed by employees or consultants of Seller. “**Buyer Confidential Information**” means (x) Transactional Information; (y) commercial, financial, and other business information of the Buyer and its Affiliates provided by or on behalf of Buyer to Seller or its Affiliates (or their Representatives), including any and all information provided by or on behalf of Buyer or Seller or its Affiliates (or their Representatives) relating to the operation of Buyer’s or any of its Affiliate’s businesses and (z) any and all information relating to the Company, the Purchased Assets or the Business (except to the extent it is also information under clause (y) of the definition of Seller Confidential Information).

(d) *Permitted Use.* Notwithstanding anything to the contrary in this Agreement, from and after the Effective Date, the provisions of Section 8.17(b) and Section 8.17(c) shall not prohibit the disclosure of Seller Confidential Information or Buyer Confidential Information by Buyer or Seller, as applicable, to the extent reasonably required (i) to prepare or complete any required Tax returns or financial statements, (ii) in connection with audits or other proceedings by or on behalf of a Governmental Authority (including disclosure by Buyer of Seller Confidential Information to the extent reasonably required to obtain Buyer’s Regulatory Approval), (iii) to comply with a Governmental Authority or applicable Law or the rules of any recognized national stock exchange, (iv) to provide services to Buyer or its Affiliates, pursuant to this Agreement or any of the other agreements entered into pursuant hereto, (v) in connection with asserting any rights or remedies or performing any obligations under this Agreement or any other agreements entered into pursuant hereto, or (vi) in connection with the transactions contemplated by this Agreement or as expressly permitted in this Agreement.

(e) *Limitations on Confidential Information.*

(i) Notwithstanding Section 8.17(b) and Section 8.17(c), from and after the Effective Date, Seller Confidential Information and Buyer Confidential Information may be disclosed if required by any Governmental Authority or otherwise by Law or the rules of any recognized national stock exchange; provided, however, that: (i) such Seller Confidential Information and Buyer Confidential Information is submitted under any and all applicable provisions for confidential treatment, and (ii) if the disclosing Party is permitted to do so, the other Party is given written notice of the requirement for disclosure promptly after such disclosure is requested, so that it may take whatever action it deems appropriate, including intervention in any proceeding and seeking a protective order or an injunction, to prohibit such disclosure. If Seller Confidential Information or Buyer Confidential Information is disclosed under the provisions of this Section 8.17(e)(i), to the extent the disclosing Party is permitted by Law to do so, the disclosing Party shall notify the other Party of the same in writing not later than five (5) Business Days following the disclosure.

(ii) This Agreement shall not be construed as a license or authorization to either Party to utilize Seller Confidential Information or Buyer Confidential

Information, as applicable, except as permitted in accordance with Section 8.17(b), 8.17(c), or 8.17(d), as applicable.

(iii) From and after the Closing, upon a Party's request, except as advised by counsel that such actions would result in a violation of Law or would violate the receiving Party's demonstrable internal document retention policies aimed at legal, corporate governance or regulatory compliance, the other Party shall return or destroy as promptly as practicable, but in a period not to exceed twenty (20) Business Days, (i) all Seller Confidential Information or Buyer Confidential Information (as applicable) provided to such Party, as appropriate, including all copies of such Seller Confidential Information, or Buyer Confidential Information (as applicable) and (ii) all notes or other documents in digital or other format in their possession or in the possession of other persons to whom Seller Confidential Information or Buyer Confidential Information (as applicable) was properly provided by such Party; provided the foregoing does not apply to Transactional Information. Non-destruction of electronic copies of materials or summaries containing or reflecting Seller Confidential Information or Buyer Confidential Information (as applicable) that are automatically generated through data backup or archiving systems and which are not readily accessible by a Party's business personnel shall not be deemed to violate this Agreement, so long as Seller Confidential Information or Buyer Confidential Information (as applicable) contained in or reflected in such electronic backup records is not disclosed or used in violation of the other terms of this Agreement.

(iv) The obligations of the parties under Section 8.17(b) and Section 8.17(c) shall not apply to the tax treatment or tax structure of the transactions contemplated by this Agreement and each Party (and its Representatives and its Affiliates and their Representatives) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the of the transactions contemplated by this Agreement and all other materials of any kind (including opinions or other tax analysis) that are provided to a Party relating to such tax treatment and tax structure (all such information that may be disclosed being the "Tax Information"). However, any such Tax Information is required to be kept confidential to the extent necessary to comply with any applicable securities laws. The preceding sentences are intended to cause the transactions contemplated by this Agreement not to be treated as having been offered under conditions of confidentiality for purposes of Sections 1.6011-4(b)(3) and 301.6111-2(a)(2)(ii) (or any successor provision) of the Treasury Regulations issued under the Code and shall be construed in a manner consistent with such purpose. For purposes of this provision, the Tax Information includes only those facts that may be relevant to understanding the purported or claimed United States federal income tax treatment or tax structure of the transactions contemplated by this Agreement and, to eliminate any doubt, therefore specifically does not include information that either reveals or standing alone or in the aggregate with other information so disclosed tends of itself to reveal or allow the recipient of the information to ascertain the identity of Seller or Buyer, or any third parties involved in any of the transactions contemplated by this Agreement or any other potential transactions with any of the foregoing.

[Signature pages follow]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party as of the date first above written.

SELLER:

ESI ENERGY, LLC,
a Delaware limited liability company

By: _____



Name: Michael O'Sullivan

Title: Senior Vice President

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party as of the date first above written.

BUYER:

SOUTHWESTERN PUBLIC SERVICE COMPANY,
a New Mexico corporation

By: David T. Hudson
Name: David T. Hudson
Title: President

EXHIBIT A

Form of Company Assignment Agreement

ASSIGNMENT AND ASSUMPTION OF MEMBERSHIP INTERESTS

This ASSIGNMENT AND ASSUMPTION OF MEMBERSHIP INTERESTS (this “*Assignment*”), is made and entered on [●] (the “*Effective Date*”), by and between ESI Energy, LLC, a Delaware limited liability company (“*Assignor*”), and Southwestern Public Service Company, a New Mexico corporation (“*Assignee*”).

RECITALS

A. Assignor owns 100% of the membership interest (the “*Membership Interest*”) in Hale Petersburg Wind, LLC, a Delaware limited liability company (the “*Company*”); and

B. Assignee and Assignor entered into a Purchase and Sale Agreement, dated March 6, 2017 (the “*Purchase Agreement*”), pursuant to which, among other things, Assignor has agreed to transfer to Assignee the Membership Interest; and

C. As of the Effective Date, Assignee desires to be admitted as the sole member of the Company and to become the only party to the Limited Liability Company Agreement of the Company (the “*LLC Agreement*”); and

D. To effect the sale and purchase of the Membership Interest, Assignor and Assignee are executing and delivering this Assignment.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

AGREEMENTS

1. Transfer of Interests. Assignor hereby sells, assigns, transfers and delivers unto Assignee (a) all of Assignor’s right, title and interest in and to the Membership Interest and (b) all of Assignor’s rights under the LLC Agreement and Assignee hereby accepts the same from Assignor as of the Effective Date. Assignor intends to transfer and assign all of its rights and benefits as the sole member of the Company, subject to all of the obligations and burdens with respect to the Membership Interest from and after the Effective Date.

2. Assumption of Assignee. Assignee hereby accepts the sale, assignment, and transfer and delivery of the Membership Interest, and assumes (a) the Membership Interest and (b) all obligations and liabilities of the Assignor under the LLC Agreement and agrees to become a party to and to be bound by the terms and conditions of the LLC Agreement to the same extent as if it were an original party thereto. On the Effective Date, in accordance with the LLC Agreement, Assignor ceased to be the sole member of the Company. From and after the

Effective Date of this Assignment, the Assignee shall be the sole member of the Company and the only party to the LLC Agreement.

3. Counterparts. This Assignment may be executed in separate counterparts with separate signature pages, all of which when taken together shall constitute one instrument. Delivery by facsimile or other electronic transmission of an executed original or the retransmission of any executed facsimile or other electronic transmission shall be deemed to be the same as delivery of an executed original.

4. Further Assurances. The parties hereto agree to take all such further actions and execute, acknowledge and deliver all such further documents, instruments or agreements as may be reasonably necessary to further effectuate the assignment and transfer of the Membership Interest.

5. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any conflict or choice of law provision that would result in the application of another state's law.

6. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and permitted assigns.

7. Conflicts. This Assignment is not intended to, and does not, amend or modify the Purchase Agreement in any respect, and if there is any conflict between this Assignment and the Purchase Agreement, the Purchase Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment and Assumption of Membership Interest to be duly executed as of the day and year first above written.

Assignee:

Southwestern Public Service Company,
a New Mexico corporation

By: _____

Name: _____

Its: _____

Assignor:

ESI Energy, LLC,
a Delaware limited liability company

By: _____

Name: _____

Its: _____

EXHIBIT B-1

Form of Secretary's Certificate

ESI Energy, LLC

SECRETARY'S CERTIFICATE

This certificate is delivered pursuant to Section 2.7(b)(iii) of the Purchase and Sale Agreement dated March 6, 2017 (the "Agreement"), between ESI Energy, LLC, a Delaware limited liability company ("ESI Energy"), and Southwestern Public Service Company, a New Mexico corporation. Capitalized terms used but not otherwise defined herein will have the meanings given to them in the Agreement.

The undersigned, [_____], Secretary of ESI Energy hereby certifies that:

1. Attached hereto as Exhibit A is a true and correct copy of the Certificate of Formation of the ESI Energy, as amended to the date hereof;
2. Attached hereto as Exhibit B is a true and correct copy of the Limited Liability Company Agreement of ESI Energy, as in effect on the date hereof;
3. Attached hereto as Exhibit C are true and correct copies of resolutions (excluding exhibits, if any) duly adopted by written consent of the Member of ESI Energy on _____. Such resolutions have not been amended, modified or rescinded and remain in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto signed my name on this ___ day of _____,
20___.

By: _____
Secretary

EXHIBIT A

CERTIFICATE OF FORMATION

EXHIBIT B

LIMITED LIABILITY COMPANY AGREEMENT

EXHIBIT C
RESOLUTIONS

EXHIBIT B-2

Form of Incumbency Certificate

ESI ENERGY, LLC

CERTIFICATE AS TO SIGNATURE AND INCUMBENCY OF OFFICERS

The undersigned, [name], [Secretary][Assistant Secretary] of ESI Energy, LLC, a Delaware limited liability company (the "Company"), hereby certifies that each of the persons whose names, titles and signatures appear below is a duly appointed and acting officer of the Company and holds, on the date hereof, the office set forth opposite his or her name and the signature appearing opposite his or her name is a genuine facsimile of the signature of such officer:

Name	Title	Signature
-------------	--------------	------------------

IN WITNESS WHEREOF, I have hereafter signed my name this ____ day of _____, 20__.

[Name of Secretary/Assistant Secretary]
[Secretary/Assistant Secretary]

EXHIBIT C

Form of Wind Data License

WIND DATA LICENSE AGREEMENT

[Met [] /Met []]

This WIND DATA LICENSE AGREEMENT (this “*License Agreement*”) is effective as of _____ [], 2017, by Hale Petersburg Wind, LLC, a Delaware limited liability company (“*Licensor*”), in favor of and for the benefit of Tower Associates, LLC, a Delaware limited liability company (together with its permitted successors and assigns, the “*Licensee*”; and together with Licensor, each a “*Party*” and collectively, the “*Parties*”).

RECITALS

WHEREAS, Southwestern Public Service Company (“*Buyer*”) and ESI Energy, LLC (“*Seller*”) have entered into that certain Purchase and Sale Agreement, dated as of March 6, 2017 (the “*Purchase Agreement*”), pursuant to which, among other things, Seller has agreed to sell the Shares to Buyer;

WHEREAS, as of the Close under the Purchase Agreement the Company owns the certain historical wind speed data and other relevant wind characteristics identified on Exhibit A attached hereto (the “*Wind Data*”); and

WHEREAS, it is a closing deliverable under the Purchase Agreement that Buyer causes the Company to execute and deliver to Seller this License Agreement effective as of the Closing.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth below, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Capitalized terms used herein which are not defined herein shall have the meanings ascribed to them in the Purchase Agreement. Effective on the date hereof, on and subject to the terms and conditions set forth herein, Licensor hereby grants to Licensee a perpetual, royalty-free non-exclusive license to use the Wind Data for use solely in the event that Seller shall Implement or cause to be Implemented, or permit any Other Seller Entity to Implement or cause to be Implemented a Subsequent Wind Farm, subject to and in accordance with the terms of the Purchase Agreement and any build-out agreement entered into pursuant to the requirements thereof.
2. The rights hereby granted are granted only to the extent that Licensor has the right and authority to grant such rights. The license to use the Wind Data hereunder may be assigned or sub-licensed by Licensee to its Affiliates (as such term is defined below), subject to Licensee’s confidentiality obligations in Section 8 and the other terms and conditions of this License Agreement.

3. Licensee shall reproduce and include any confidentiality, copyright or other proprietary rights or disclaimer notices contained in the Wind Data on all full and partial copies of the Wind Data.
4. The Wind Data is supplied “as is” without any warranty as to their efficacy, accuracy or usefulness and, to the extent permitted by Law, Licensor excludes all warranties, conditions or other terms that may be implied whether by Law, statute or otherwise including, without limitation, ownership, non-infringement, implied warranties of merchantability or fitness for a particular purpose and implied warranties of custom or usage. Licensee (including any of its successors, assigns, sublicensees or transferees) shall not have the benefit of any condition, warranty or other term whatsoever, either express or implied, including any condition, warranty or other term as to merchantability, satisfactory quality, fitness for a particular purpose, title guarantee or use of reasonable care and skill. Licensor assumes no responsibility to correct, update or supplement the Wind Data after the date of their delivery. Licensor shall not be liable in contract, tort or otherwise (including negligence) for any loss or damage, howsoever arising in connection with the Wind Data or this License Agreement. **FURTHERMORE, LICENSOR SHALL HAVE NO LIABILITY FOR ANY LOSS OF PROFIT, REVENUE OR OTHER ECONOMIC LOSS, OR FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, WHETHER SUCH LOSSES OR DAMAGES ARE KNOWN, FORESEEN, FORESEEABLE OR UNFORESEEN.**
5. This License Agreement shall only be amended or rescinded by the written agreement of the Parties, which amendment or rescission shall be effective without the consent of any third party, even if, as a result, any right of a third party to enforce a term of this License Agreement will be varied or extinguished.
6. This License Agreement sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between the Parties relating to such subject matter. Licensee acknowledges that it is not relying on any representation, agreement, term or condition which is not set out expressly in this License Agreement.
7. Licensee (including any of its successors, assigns, sublicensees or transferees) shall have no rights against, and **LICENSEE HEREBY IRREVOCABLY AND FOREVER WAIVES, RELEASES AND COVENANTS NEVER TO SUE OR OTHERWISE ASSERT ANY CLAIM AGAINST LICENSOR OR ANY OF ITS AFFILIATES, WHETHER BASED IN CONTRACT, TORT, RELIANCE, MISREPRESENTATION OR ANY OTHER THEORY OR BASIS OF LAW OR EQUITY, WHETHER STATUTORY, COMMON LAW OR OTHERWISE, BASED ON OR PERTAINING TO, IN WHOLE OR IN PART, ANY OR ALL WIND DATA, INCLUDING ANY ERRORS OR DEFECTS IN, OR INCOMPLETENESS OF, ANY OR ALL OF THE WIND DATA.**
8. Licensee (including any of its successors, assigns, sublicensees or transferees) agrees to keep confidential the Wind Data, the content of this License Agreement and any confidential information received from Licensor under or as a result of the Parties entering

this License Agreement (the “**Confidential Information**”). Notwithstanding the foregoing, Licensee shall be allowed to share the Confidential Information with (i) any assignee or sublicensee permitted under the terms of this License Agreement that is subject to this confidentiality obligation; and (ii) its employees, affiliates, attorneys, advisors, consultants and potential or actual lenders, buyers, investors, or power buyers for the purposes of performing work or reviewing information related to this License Agreement, so long as such parties are under an obligation to treat the Wind Data as Confidential Information in accordance with and otherwise on terms at least as restrictive as those set forth in this Agreement and provided that such parties shall not have the right to share such Confidential Information with any other parties.

9. THIS LICENSE AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, ENFORCED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS RULES THAT REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

10. In this License Agreement unless the context otherwise requires:

“**Affiliate**” means, in relation to Licensor or Licensee, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that Party from time to time;

“**Control**” means that a person possesses, directly or indirectly, the power to direct or cause the direction of some or all of the management and policies of another person, whether through the ownership of voting shares, by contract or otherwise, and “**Controls**” and “**Controlled**” shall be interpreted accordingly;

11. To facilitate execution, this License Agreement may be executed in as many separate counterparts as may be convenient or required. It shall not be necessary that the signature of each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument.

12. A person who is not a Party to this License Agreement is neither intended to be nor shall be deemed a third party beneficiary of this License Agreement. For purposes of clarification, this preceding sentence shall not operate to restrict or limit the rights of any permitted assignee to exercise the rights and benefits conferred on such assignee by its assignor. Except as set forth herein, Licensee may not assign, sublicense or transfer in any manner any of its rights or obligations under this License Agreement without Licensor’s prior written consent, except that Licensee may assign or transfer its rights and obligations under this License Agreement to an entity that acquires all or substantially all of its business or assets to which this Agreement relates (whether by merger, direct or indirect change of control, share exchange, combination or consolidation of any type, operation of law, purchase or otherwise). Any permitted assignee, sublicensee or other transferee shall agree in writing to be bound by the terms hereof.

13. The headings of this License Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning or interpretation hereof.
14. Notwithstanding anything to the contrary contained herein, including in Section 2 or Section 12 hereof, the Parties acknowledge and agree that Licensee may, without the prior consent of Licensor, assign or pledge this License Agreement and any or all rights hereunder to lenders or other financing parties as collateral or security for financing relating to any Subsequent Wind Farm.
15. The Parties acknowledge that remedies at law may be inadequate to protect Licensor against any actual or threatened disclosure of Wind Data and Reports by Licensee, and, without prejudice to any other rights and remedies otherwise available, agree to the immediate granting of preliminary and final injunctive relief (without prior notice and without posting any bond) in favor of Licensor to enjoin and restrain any actual or anticipatory release of Wind Data by Licensee or any assignee, sublicensee or other transferee of Licensee hereunder.

[Signature pages follow]

IN WITNESS WHEREOF, each of the undersigned has caused this License Agreement to be duly executed on its behalf as of the date first written above.

LICENSOR:

Hale Petersburg Wind, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

LICENSEE:

Tower Associates, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SCHEDULE 1 TO
WIND DATA LICENSE AGREEMENT
[Met [●] /Met [●]]

Met Tower and Wind Data

Mast	Site GPS Coordinates (WGS84)		Elevation (m)	Wind Speed Monitoring Heights (m)
	Latitude	Longitude		

Wind Data: All raw wind data collected from the foregoing Met Tower from the measurement commencement date described therein, including but not limited to wind speed, direction, temperature, and barometric pressure.

EXHIBIT D

Form of Estoppel Agreement

Document Prepared by:

Orin Shakerdge
NextEra Energy Resources LLC
700 Universe Blvd., LAW/JB
Juno Beach, FL 33408

ESTOPPEL CERTIFICATE

This Estoppel Certificate (“**Certificate**”) is made as of this ____ day of _____, 2017, by _____ (“**Owner**”) for the benefit of [●], a [●] (“[●]”), related to the wind energy project located in Hale County, Texas (the “**Wind Farm**”) pursuant to that certain Wind Farm Easement Agreement dated _____ (“**Agreement**”) as evidenced by a Memorandum of Option and Easements dated _____ and recorded on [●] as Doc #: [●] in the Public Records of Hale County, Texas by and between Owner and [●].

Owner acknowledges that lenders, investors, title insurance companies and each of their respective successors and/or assigns (collectively, the “**Relying Parties**”) will rely on this Estoppel Certificate in acquiring, constructing, developing, financing, and/or insuring (including, without limitation, issuing one or more policies of title insurance for) the Wind Farm and/or the direct or indirect acquisition of membership interests in [●]. Pursuant to the terms of the Agreement, Owner and [●] desire Owner to certify to the truthfulness of certain statements outlined below. By executing this Certificate where indicated below, Owner is certifying those representations and statements made below.

Owner represents to [●] and the Relying Parties that the following statements are true and accurate to the best of Owner’s knowledge, information and belief as of the above date:

1. Complete Agreement. The Agreement, as set forth in **Exhibit A**, (a) constitutes the entire agreement between the Owner and [●] with respect to the subject matter contained therein, (b) is valid and in full force and effect, (c) has not been amended, supplemented, modified or assigned except as noted herein and (d) has not been waived, surrendered, cancelled, abandoned or terminated by Owner or [●]. There are no other agreements, covenants or understandings, oral or written, between Owner and [●], or any party acting on behalf of Owner or [●], with respect to the Property.
2. Ownership. Owner is the sole current owner of the property described in **Exhibit A** of the Agreement (“**Property**”) and all persons having an ownership interest in the Property (including spouses) have executed this Certificate.
3. No Defaults. To the best of Owner’s knowledge, (a) all obligations and covenants under the Agreement to be performed or observed to date have been satisfied,

(b) no default exists under the terms of the Agreement by either party thereto and (c) no circumstances exist that with the giving of notice or the passage of time, or both, could give rise to a default under the terms of the Agreement by either party thereto.

4. Amounts Due. All amounts due to Owner or [●] pursuant to the Agreement for any period through the date hereof, including but not limited to any rents, option fees or other payments as set forth in the Agreement or otherwise have been paid in full. Owner has no knowledge of any facts entitling Owner to any set-off, claim, counter-claim or defenses against [●] for any amount due under the Agreement.

5. No Oil and Gas or Mineral Exploration. To the best of Owner's knowledge, there is no active exploration, mining or development for minerals, oil or gas on the Property.

6. No Liens. Owner has no knowledge of any lien or encumbrance, including without limitation any mechanics' or materialmen's lien that has been filed or is threatened to be filed against the Property or [●]'s interest in the Property.

7. No Condemnation. Owner has not received notice from any governmental authority respecting a pending or threatened condemnation, eminent domain proceeding or other governmental or judicial action against all or any portion of the Property.

8. No Notice of Violation of Environmental Laws. Owner has not received any notice of any liability under or any alleged violation of any Environmental Laws (as defined in the Agreement) with respect to the Property.

9. No CRP Participation. No portion of the Property is currently enrolled in the U.S. Department of Agriculture's Conservation Reserve Program.

10. Title Insurance Matters: Owner represents that (a) there are no unpaid bills incurred by the Owner for work performed upon or materials delivered to the Property for the construction or improvement of the property during the past six (6) months, (b) there are no unrecorded tenancies, easement agreements or other occupancies or rights of possession on the Property, (c) there are no unrecorded easements or claims or easement, no disputes or encroachments affecting a setback or boundary line, and no contracts, options or rights to purchase the Property other than the Agreement and (d) there are no unrecorded judgments, liens, mortgages or other claims against the Property. Owner agrees to indemnify [●] and the Relying Parties against any loss (including enforcement costs) occurring because of the existence of any of the matters listed in this paragraph which are known to the Owner and not disclosed hereunder.

11. Acquisition: The acquisition of [●] by a Relying Party will not give rise to any right of termination under the Agreement by the Owner.

12. Certificate: This Certificate is given with the knowledge and understanding that [●] and the Relying Parties will rely on it in connection with the acquisition of [●].

IN WITNESS WHEREOF, the undersigned has caused this Estoppel Certificate to be duly executed on its behalf as of the date first written above.

OWNER:

[●],
a [●]

By: _____

Name: _____

Title: _____

EXHIBIT A

Wind Farm Easement Agreement

EXHIBIT E

Form of Lease Amendment

Each Project Lease shall be amended using one of the four forms of Lease Amendment attached to this Exhibit E as Exhibit E-1, Exhibit E-2, Exhibit E-3, or Exhibit E-4. Seller shall select the form of Lease Amendment for each Project Lease as is appropriate in context.

Prior to submitting any Lease Amendments to landowners, Buyer and Seller shall agree upon revisions to the forms of Lease Amendments in this Exhibit E to reflect that the lessee thereunder may define the project area for the Cottonwind Farms project and the Lakeview Wind Farms project in a separate instrument to be executed and recorded in the real property records which shall serve as the definitive lists of the leases included in and comprising such project areas, as it may be amended by lessee from time to time. Seller shall prepare and provide to Buyer the instrument defining each project area for approval and execute and record such instrument prior to the Closing Date.

EXHIBIT E-1
AMENDMENT TO
WIND AND EASEMENT LEASE AGREEMENT

THIS AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT (this “**Amendment**”) is entered into as of _____, 2017, but effective as of _____, 201_ ¹(the “**Amendment Effective Date**”) by and between [Hale Wind Energy, LLC, a Delaware limited liability company] or [Hale Petersburg Wind, LLC, a Delaware limited liability company]² (together with its respective transferees, successors, and assigns, “**Grantee**”), and [Insert Landowner] (together with their respective heirs, successors, and assigns, the “**Landowner**”). Capitalized terms used in this Amendment that are not defined herein will have the meaning ascribed to them in the Lease (defined below).

A Landowner [or predecessors in interest], and _____ (“**Initial Grantee**”) entered into a Wind and Easement Lease Agreement dated _____, 20__, a Memorandum of which was recorded as Document No. _____ in the real property records of _____ County, Texas (collectively, the “**Lease**”) for the purposes of assessing, developing, financing, constructing, and operating a wind farm project located in _____ County, Texas to convert wind energy into electrical energy and collect and transmit the electrical energy so converted (the “**Project**”).

B Initial Grantee assigned the Lease to Hale Community Energy, LLC, a Texas limited liability company (“**HCE**”), pursuant to a Contribution Agreement effective as of September 9, 2013, as such assignment is further evidenced by that certain Assignment of Wind and Easement Lease Agreements dated _____ and effective as of September 9, 2013, which was recorded as Document No. _____ in the real property records of _____ County, Texas.

C HCE assigned the Lease to [Hale Wind Energy, LLC, a Delaware limited liability company (“**HWE**”)] [Grantee]³, pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.

D [HWE assigned the Lease to Grantee pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.]⁴

[E.]The parties desire to modify and amend the Lease in certain respects, as more particularly set forth hereinafter.

¹ NTD: Amendment Effective Date should be a date before expiration of lease.

² NTD: Correct Grantee to be inserted depending on timing of assignment of leases to Hale Petersburg Wind, LLC.

³ NTD: To be determined based on timing of assignment.

⁴ NTD: Delete Recital D if amendment is to occur before assignment to Hale Petersburg Wind, LLC.

For and in consideration of the premises, including the recitals above, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1 **Amendments**. The Lease is hereby amended as follows:

(a) **Exhibit A – Description of the Property.** Exhibit A attached to the Lease is hereby deleted in its entirety and replaced with Exhibit A attached to this Amendment. The acreage set forth in the first paragraph of Section 1 of the Lease is deleted and replaced with “[#] acres”.⁵

(b) **Proposed Project Area.** Exhibit B to the Lease and the last sentence of Section 1.1(c) are hereby deleted in their entirety [and Exhibit B attached to this Amendment is substituted for Exhibit B attached to the Lease]⁶.

(c) **Project Area and Acreage.** A new Section 1.1(e) is added to the Lease as follows:

“1.1(e) **Project Area and Acreage.** The “**Project Area**” will include only, and all of, the Wind and Lease Easement Agreements, and the real property subject thereto, listed in [Exhibit A under the caption [Cottonwind Farms Project Area] [Lakeview Wind Farms Project Area] attached to that certain Assignment of Wind and Easement Lease Agreements executed _____ and recorded in the real property records of _____ County, Texas as Document No. _____] [Exhibit B attached hereto]⁷ (collectively, the “**Project Leases**”). The total acreage encompassed by the Project Leases is hereinafter referred to as the “**Acreage**”.”

(d) **Term.** The entirety of Sections 3.1, 3.2, and 3.3 are deleted and replaced with the following:

“3.1 **Development Term.** This Agreement shall be for an initial term (the “**Development Term**”) commencing on the Effective Date and continuing until the earlier to occur of (a) the date on which Grantee begins selling electrical energy generated by Wind Turbines located within the Project Area to a third party power purchaser (the “**Operations Date**”), or (b) the tenth (10th)

⁵ NTD: Last sentence should be included only if the acreage as of the Amendment Effective Date is different from the acreage as of the effective date of the original lease.

⁶ NTD: To be determined if needed based on whether list of leases is referenced in assignment or this amendment.

⁷ NTD: Reference to list of leases to be determined based on timing of assignment of leases; if assignment to Hale Petersburg has occurred before amendment, reference to assignment can be used since it will list all of the leases included in each project. Otherwise, will need to attach a list of the leases for the applicable pool.

anniversary of the Effective Date; provided, however, if the Operations Date has not occurred on or before the tenth (10th) anniversary of the Effective Date, but Commencement of Construction has occurred by such date, the Development Term shall automatically extend to the Operations Date, provided that after Commencement of Construction, Grantee thereafter pursues completion of the Project with commercially reasonable diligence. If Commencement of Construction has not begun as described in this Section 3.1, this Agreement shall terminate and shall no longer be in full force and effect. “**Commencement of Construction**” shall mean the commencement of excavation, installation or construction of improvements for the Project, including roads (whether on the Property or other lands within the Project Area), but shall not include survey or wind measurement work. Should Grantee wish to put up a wind test tower, it will pay Landowner a one-time sum of \$1,000.00 per tower and be responsible for installation and removal (if necessary) of the tower(s).

3.2 **Extended Term.** On the Operations Date, the term of this Agreement shall automatically extend until the end of the fortieth (40th) full calendar year following the Operations Date (the “**Extended Term**”). Grantee shall give written notice to Landowner of the commencement date and the ending date of the Extended Term or shall include such dates in the memorandum required by Section 3.3.

3.3 **Memorandum of Extended Term.** As soon as reasonably practicable following the Operations Date, Grantee shall execute and record in the public records a notice evidencing the commencement date and the ending date of the Extended Term, although the execution of such notice is not necessary for the extension of this Agreement for the Extended Term. Landowner acknowledges that the Extended Term may be extended by the Extension Period pursuant to Section 4.7(iii), and that no notices to Landowner or memoranda shall be required in the event of an Extension Period.”

(e) The entirety of Section 3.4 shall be deleted and replaced with the following:

“3.4 **Termination by Grantee.** Grantee reserves the right to terminate this Agreement (a) on 60 days’ notice to Landowner at any time during the Development Term and (b) on 120 days’ notice during the Extended Term, provided that Grantee pays the Royalty Fees that would become due to such Landowner during

such 120-day period (being at least the per megawatt amount set forth in Section 4.1, if production does not occur or is limited during such period), and this Agreement shall terminate at the end of such applicable notice period or the termination specified in the notice, whichever is later. No termination of this Agreement shall be permitted under this Section unless the Phase Owners of all Project Leases in the Project Area agree to terminate all of the Project Leases in the Project concurrently and no termination of this Agreement shall be effective unless each Phase Owner exercises the right to terminate each of the other Project Leases effective as of the same date. Upon the termination of this Agreement pursuant to this Section 3.4, Grantee shall remove any applicable Windpower Facilities from the Property within one year after the date of termination as provided in Section 13.1.”

(f) **Conditions to Commence Development.** The parties acknowledge that the Conditions were satisfied prior to the Condition Date and Section 3.5 of the Lease is hereby deleted.

(g) **Defined Terms.** The definitions of “Project Landowners’ Aggregate Per MW Amount” and “Landowner’s Acreage Percentage” in Section 4.1 of the Lease are hereby deleted and the following is substituted in place thereof:

“(iii) “**Project Landowners’ Aggregate Per MW Amount**” means the dollar amount for the applicable Extended Term Year shown in the Table below times the number of megawatts of installed nameplate capacity of Wind Turbines that are then installed on the Project Area (the “installed nameplate megawatt capacity” of the Wind Turbines is equal to the quantity of Wind Turbines multiplied by the megawatt nameplate capacity of each Wind Turbine); (iv) “**Landowner’s Acreage Percentage**” shall mean the number of acres of the Property as shown in Exhibit A hereto divided by the Acreage.”

(h) **Gross Revenues.** Any and all uses of the term “total Project property” in Section 4.4 are hereby replaced with the term “the Project Area”. Further, the following language shall be added to Section 4.4 of the Lease and Exhibit D attached hereto is hereby added as an exhibit to the Lease.

“If any or all of the Wind Turbines installed within the Project Area are sold or transferred as part of a sale of the Project to a distribution cooperative, generation, and transmission provider, or utility (“**Utility**”), such that Gross Revenues shall not be produced from the sale of electricity to an off-taker pursuant to a power purchase agreement (“**PPA**”) or otherwise, then for purposes of

calculating the Landowner Royalty Fees during such period of Utility ownership, Gross Revenues for such Wind Turbines shall be calculated based on the energy generated by such Wind Turbines multiplied by the energy payment rate set forth on **Exhibit D** attached hereto. If the acquiring Utility thereafter sells or transfers the acquired Project or any part thereof to an entity that is not a Utility, and such that electricity is sold and Gross Revenues are generated, then the Landowner Royalty Fees will again be determined as otherwise set forth in this Agreement.”

- (i) **Phased Project.** A new Section 4.7 is added to the Lease as follows:

“4.7 **Phased Project.** Landowner acknowledges that the Project may be developed in phases (each, a “**Phase**”) owned by separate entities (each a “**Phase Owner**”) and that the Phases constructed and operating from time to time may be located in whole or in part within the Project Area. If the Project is developed in Phases, the following shall apply:

- (i) Except as otherwise modified by this Section 4.7 below, the term “Grantee” as used in this Agreement shall mean the Phase Owner owning (by assignment or otherwise) the rights of the Grantee under this Agreement.
- (ii) The definition of “Project” in Section 1.1(c) of this Agreement shall be replaced with the following: “**Project**,” for the purposes of this Agreement, means one or more integrated wind energy generation systems, consisting of Wind Turbines and Windpower Facilities, constructed and operated in whole or in part within the Project Area by any of the Phase Owners or any third parties authorized by any of the Phase Owners.
- (iii) If completion of construction of any Phase of the Project occurs after the Operations Date, the Extended Term as provided in Section 3.2 of this Agreement shall be extended by a period of time (the “**Extension Period**”) equal to the period from the Operations Date until the date on which the Phase Owner of the last Phase in the Project begins selling electrical energy generated by Wind Turbines located on its Phase to a third party power purchaser (the “**Phase Operations Date**”); provided, however, that the Extension

Period shall be limited to a maximum period equal to the period from the Operations Date until the date upon which the Development Term would have expired if the Operations Date had not occurred. By way of example:

If the Development Term commenced on July 1, 2010 and the Operations Date for the first Phase (“**Phase 1**”) occurs on July 1, 2014, and the Phase Operations Date for the last Phase occurs on April 1, 2022, then the Extension Period and Extended Term would be as follows:

Extension Period: July 1, 2014 - July 1, 2020 [the maximum Extension Period occurs on the tenth (10th) anniversary of the Effective Date, July 1, 2020, unless Phase 1 is extended by Commencement of Construction, in which case, the Extension Period extends through the completion of construction of Phase 1 of the Project, not to exceed twenty-four months from the tenth (10th) anniversary of the Effective Date]

Extended Term: July 1, 2014 - June 30, 2060

- (iv) For purposes of Section 4 of this Agreement, all payments of Landowner’s Royalty Fees shall be payable solely by the Phase Owners that have achieved the Phase Operations Date for their respective Phases and no Landowner’s Royalty Fees, including any amount based on the Project Landowner’s Aggregate Per MW Amount, shall be payable by the Phase Owner of the Phase in which the Property is located unless and until the Phase Operations Date for the Phase in which the Property is located occurs. No default by any other Phase Owner in payment of any amounts due to Landowner in respect of Landowner Royalty Fees payable by such Phase Owner, nor any default by any Phase Owner under any Project Lease, shall constitute a default under this Agreement.
- (v) The Phase Owners may elect to appoint an agent (the “**Agent**”) to calculate, receive, and make payments to Landowner of Landowner Royalty Fees due from each of

the other Phase Owners. No default by any other Phase Owner in payment of any amounts due to Agent in respect of Landowner Royalty Fees payable by such Phase Owner, nor any default by any Phase Owner under any Project Lease, shall constitute a default under this Agreement. Landowner agrees to cooperate with the Agent as may be reasonably requested by the Agent, including executing and delivering any acknowledgments, confirmations, receipts or other documents as may be reasonably requested by the Agent in connection with the administration by the Agent of Landowner Royalty Fees payable by each Phase Owner or any matter related thereto.”

(j) **Ownership of Windpower Facilities.** The first paragraph of Section 5 is hereby deleted and replaced with the following:

Landowner shall have no ownership, or other interest in any Windpower Facilities installed on the Property, or any profits derived therefrom, and Grantee may remove any or all Windpower Facilities at any time. Except for the payments described in Section 4 above, Landowner shall not be entitled to any other payments or benefits accrued by or from the Project.

(k) **Subordinated Lien.** Section 5.1 of the Lease is hereby deleted.

(l) **Bond for Removal of Windpower Facilities.** If the Removal Bond is unavailable or an alternate form of security is more economical or desirable, then Grantee may substitute an alternate form of security, such as a letter of credit, other form of bond, or guarantee that provides substantially equivalent security as the Removal Bond.

(m) **Termination of Project.** Section 14(h) of the Lease is hereby deleted.

(n) **Notices.** The Parties’ addresses for purposes of notice in Section 15.5 of the Lease are hereby deleted and replaced with the following:⁸

If to Landowner: [Insert landowner names and address]

If to Grantee: Hale Wind Energy, LLC
700 Universe Blvd. CEA/JB

⁸ NTD: Only include Landowner’s address block if no satisfactory Landowner notice address was provided in the Lease.

Juno Beach, FL 33408
Attention: Land Services
855-552-9872

(o) **No Liability for Failure to Develop or Operate.** A new Section 15.11 is added to the Lease as follows:

“15.11 **No Liability for Failure to Develop or Operate.** Landowner acknowledges and agrees that Grantee may or may not elect to construct, install or develop Windpower Facilities or other improvements on the Property or within the Project Area in its sole discretion, and, except as may be otherwise expressly provided herein, Grantee shall have no responsibility or liability to Landowner or any other party in the event Grantee does not construct, install or develop Windpower Facilities or other improvements on the Property or within the Project Area. Furthermore, nothing in this Lease may be interpreted as imposing on Grantee, or any other party, any obligation to continuously operate any Project, or any phase thereof, constructed, developed or installed on the Property or within the Project Area.”

2 **Confirmation of Status of Lease.** Landowner acknowledges as follows (which may be relied upon by and shall inure to the benefit of Grantee, any lender providing financing to the Project or any Phase of the Project, any title company insuring any interest in or lien on the estate, right, title and interest of Grantee under the Lease, and any assignee of the Lease and each of their respective successors and assigns):

(a) **Ownership of the Property.** Owner owns the Property and all persons having any ownership interest in the surface estate in the Property (including spouses of individuals owning such an interest, if applicable) have signed the Lease as Landowner. Owner has not sold or transferred any interest in all or any part of the Property, or assigned any portion of the Lease, or otherwise transferred its interest in either the Lease or the Property. Each person that signed the Lease on behalf of Landowner had or has, as applicable, the unrestricted right and authority to do so.

(b) **Validity of Lease.** The Lease is currently in full force and effect, and constitutes the entire agreement between the parties thereto with respect to the Property. Except as expressly set forth herein, the Lease has not been waived, surrendered, canceled, amended, modified, or changed, whether in writing or orally.

(c) **No Defaults by Grantee.** Grantee has fully performed the obligations of “Grantee” under the Lease, including payment of any amounts due under the Lease through the date hereof. Landowner acknowledges that all requirements, conditions, representations, warranties and obligations of Grantee as stipulated in the Lease have been complied with to the satisfaction of Landowner. Landowner does not know of any breach or default by Grantee under the Lease that, with the giving of notice or the

passage of time, or both, could constitute such a breach or default or give rise to the right of Landowner to terminate or to cancel the Lease.

(d) **Rent and Other Payments.** All fees and payments due under the Lease through and including the date hereof have been paid. As of the date hereof, there are no other fees or payments presently due under the Lease.

(e) **Termination.** Landowner has not commenced any pending action or sent any presently effective notice to Grantee (or received any presently effective notice from Grantee) for the purpose of termination, canceling or surrendering the Lease. Landowner is not presently entitled to terminate, cancel or surrender the Lease.

(f) **Environmental Matters.** To the best of Landowner's knowledge, there is no environmental contamination, pollution, or similar condition in or under the Property, and there has been no environmental contamination, pollution or similar activity at the Property. To the best of Landowner's knowledge, Landowner has no liability under any environmental law in connection with the Property and Landowner has not received any notice of any environmental liability or any alleged violation of any law involving protection of the environment or hazardous waste with respect to the Property.

(g) **Unrecorded Encumbrances; Mechanic's Liens.**

(i) There are no unrecorded leases, tenancies, subleases, licenses, co-tenancies or occupancies in effect, oral or written, related to any portion of the Property or any improvements thereon.

(ii) To the best of Landowner's knowledge, there are no unrecorded liens, encumbrances, covenants, conditions, reservations, restrictions, easements (except for existing road rights of way or easements and other easements apparent), or other similar matters affecting any portion of the Property or any improvements thereon and there are no unrecorded judgments against Landowner. To the best of Landowner's knowledge, there are currently no disputes, discrepancies or encroachments affecting a setback or boundary line on the Property.

(iii) There are no outstanding or disputed claims for any repairs, additions or improvements made, ordered or contracted to be made by Landowner or others on behalf of Landowner on or to the Property.

(h) **Condemnation.** Landowner has not received any notice from any governmental authority with respect to a condemnation or threat of condemnation of all or any portion of the Property.

(i) **Bankruptcy.** Landowner has not filed, and Landowner is not the subject of, any filing for bankruptcy or reorganization under federal bankruptcy laws.

(j) **Oil, Gas and Mineral Rights.** There are no oil, gas or mineral leases or similar interests affecting the Property that are not a matter of public record.

(k) **Personal Property.** Landowner acknowledges that any personal property now or hereafter located on the Property (the "*Personal Property*") and used in connection with the Project is owned by Grantee and Landowner has no, and shall have no, liens or claims of any nature now or hereafter, by statute, agreement or otherwise, in or to such Personal Property or to any insurance proceeds received by under any property insurance policy maintained with respect to the Property and the Personal Property thereon.

3 **Ratification.** As expressly modified by this Amendment, the Lease is hereby reinstated, ratified and confirmed, and shall remain in full force and effect.

4 **Successors and Assigns.** This Amendment is binding upon and inures to the benefit of each of the parties and their respective heirs, successors, and assigns.

[The signature page to this Amendment appears on the next page]

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Landowner:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2017, by _____.

Notary Public,
Commission No. _____
My Commission Expires: _____

(SEAL)

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Grantee:

Hale Wind Energy, LLC,
a Delaware limited liability company

By: _____
John Di Donato, Vice President

STATE OF FLORIDA)
)ss:
COUNTY OF PALM BEACH)

On this ____ day of _____, 2017, before me, the undersigned notary public, personally appeared John Di Donato, Vice President of Hale Wind Energy, LLC, a Delaware limited liability company, personally known to me to be the person who subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of said limited liability company and that he was duly authorized so to do.

(notary seal)

NOTARY PUBLIC, STATE OF FLORIDA

Exhibit A

Description of the Property

[Insert Landowner]

Exhibit D

Energy Payment Rate

This entire Exhibit shall be deemed Confidential Information subject to Section 15.2 of the Lease and shall not be attached to any Memorandum of the Lease that is recorded in the real property records.

Extended Term Year	Energy Payment Rate (\$/MWh)	Extended Term Year	Energy Payment Rate (\$/MWh)
1	\$18.10	21	\$26.90
2	\$18.46	22	\$27.43
3	\$18.83	23	\$27.98
4	\$19.21	24	\$28.54
5	\$19.59	25	\$29.11
6	\$19.98	26	\$29.69
7	\$20.38	27	\$30.29
8	\$20.79	28	\$30.89
9	\$21.21	29	\$31.51
10	\$21.63	30	\$32.14
11	\$22.06	31	\$32.78
12	\$22.51	32	\$33.44
13	\$22.96	33	\$34.11
14	\$23.41	34	\$34.79
15	\$23.88	35	\$35.49
16	\$24.36	36	\$36.19
17	\$24.85	37	\$36.92
18	\$25.34	38	\$37.66
19	\$25.85	39	\$38.41
20	\$26.37	40	\$39.18

EXHIBIT E-2

After recording return to:
Hale Wind Energy, LLC
Attn: Dru Roscoe, Esq.
700 Universe Boulevard LAW/JB
Juno Beach, FL 33408

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

**SECOND AMENDMENT TO
WIND AND EASEMENT LEASE AGREEMENT**

THIS SECOND AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT (“**Amendment**”) is executed of the _____ day of _____, 2017 and effective as of _____⁹ (the “**Amendment Effective Date**”), by and between _____ (“**Landowner**”), and [Hale Wind Energy, LLC, a Delaware limited liability company] or [Hale Petersburg Wind, LLC, a Delaware limited liability company]¹⁰ (“**Grantee**”). Landowner and Grantee may hereafter be referred to as, together, the “**Parties**” and each, a “**Party**”. Capitalized terms used in this Amendment that are not defined herein will have the meaning ascribed to them in the Lease (defined below).

Recitals

A. Landowner [*or predecessors in interest*], and _____ (“**Initial Grantee**”) entered into a Wind and Easement Lease Agreement dated _____, 20__, a Memorandum of which was recorded as Document No. _____ in the real property records of _____ County, Texas, as amended by that unrecorded Amendment to Wind and Easement Lease Agreement dated _____, 20__ (the “**First Lease Amendment**” and collectively, the “**Lease**”) for the purposes of assessing, developing, financing, constructing, and operating a wind farm project located in _____ County, Texas to convert wind energy into electrical energy and collect and transmit the electrical energy so converted.

⁹ NTD: Amendment Effective Date should be a date before the Lease expires.

¹⁰ NTD: Correct Grantee to be inserted depending on timing of assignment of leases to Hale Petersburg Wind, LLC.

B. Initial Grantee assigned the Lease to Hale Community Energy, LLC, a Texas limited liability company (“HCE”), pursuant to a Contribution Agreement effective as of September 9, 2013, as such assignment is further evidenced by that certain Assignment of Wind and Easement Lease Agreements dated _____ and effective as of September 9, 2013, which was recorded as Document No. _____ in the real property records of _____ County, Texas.

C. HCE assigned the Lease to Hale Wind Energy, LLC, a Texas limited liability company (“HWE”) pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.

D. [HWE assigned the Lease to Grantee pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.]¹¹

[E.]The Parties desire to modify and amend the Lease in certain respects, as more particularly set forth hereinafter.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Description of the Property.** Exhibit A attached to the Lease is hereby deleted in its entirety and replaced with Exhibit A attached to this Amendment. The acreage set forth in the first paragraph of Section 1 of the Lease is hereby deleted and replaced with “[#] acres”.¹²

2. **Project Area and Acreage.** [Exhibit B attached to this Amendment is hereby added as an exhibit to the Lease, and]¹³ a new Section 1.1(e) is added to the Lease as follows:

“1.1(e) Project Area and Acreage. The “Project Area” will include only, and all of, the Wind and Lease Easement Agreements, and the real property subject thereto, listed in [Exhibit A under the caption [Cottonwind Farms Project Area] [Lakeview Wind Farms Project Area] attached to that certain Assignment of Wind and Easement Lease Agreements executed _____ and recorded in the real property records of _____ County, Texas as Document No. _____] [Exhibit B attached hereto]¹⁴ (collectively, the “Project

¹¹ NTD: Delete Recital D if amendment is to occur before assignment to Hale Petersburg Wind, LLC.

¹² NTD: The second sentence of Section 1 should be included only if the acreage as of the Amendment Effective Date is different from the acreage as of the effective date of the original lease.

¹³ NTD: To be determined if needed based on whether list of leases is referenced in assignment or this amendment.

¹⁴ NTD: Reference to list of leases to be determined based on timing of assignment of leases; if assignment to Hale Petersburg has occurred before amendment, reference to assignment can be used since it will list all of the leases included in each project. Otherwise, will need to attach a list of the leases for the applicable pool.

Leases”). The total acreage encompassed by the Project Leases is hereinafter referred to as the “Acreage”.”

3. **Term**. The first sentence of Section 3.1 of the Lease is deleted and replaced with the following:

This Agreement shall be for an initial term (the “**Development Term**”) commencing on the Effective Date and continuing until the earlier to occur of (a) the date on which Grantee begins selling electrical energy generated by Wind Turbines located within the Project Area to a third party power purchaser (the “**Operations Date**”), or (b) the tenth (10th) anniversary of the Effective Date; provided, however, if the Operations Date has not occurred on or before the tenth (10th) anniversary of the Effective Date, but Commencement of Construction has occurred by such date, the Development Term shall automatically extend to the Operations Date, provided that after Commencement of Construction, Grantee thereafter pursues completion of the Project with commercially reasonable diligence.

4. **Gross Revenues**. The last paragraph of Section 4.4 of the Lease, as added in the First Lease Amendment, is hereby modified as follows, and Exhibit D attached hereto is hereby added as an exhibit to the Lease.

If any or all of the Wind Turbines installed within the Project Area are sold or transferred as part of a sale of the Project to a distribution cooperative, generation, and transmission provider, or utility (“**Utility**”), such that Gross Revenues shall not be produced from the sale of electricity to an off-taker pursuant to a power purchase agreement (“**PPA**”) or otherwise, then for purposes of calculating the Landowner Royalty Fees during such period of Utility ownership, Gross Revenues for such Wind Turbines shall be calculated based on the energy generated by such Wind Turbines multiplied by the energy payment rate set forth on Exhibit D attached hereto. If the acquiring Utility thereafter sells or transfers the acquired Project or any part thereof to an entity that is not a Utility, and such that electricity is sold and Gross Revenues are generated, then the Landowner Royalty Fees will again be determined as otherwise set forth in this Agreement.

5. **Phased Project**. The example calculation of the Extension Period and Extension Term appearing in Section 4.7(iii) of the Lease shall be amended in all respects to account for the amended Development Term set forth in this Amendment.

6. **Ownership of Windpower Facilities**. The first paragraph of Section 5 is hereby deleted and replaced with the following:

Landowner shall have no ownership, or other interest in any Windpower Facilities installed on the Property, or any profits derived therefrom, and Grantee may remove any or all Windpower Facilities at any time. Except for the payments

described in Section 4 above, Landowner shall not be entitled to any other payments or benefits accrued by or from the Project.

7. **Notices.** The Parties' addresses for purposes of notice under the Lease are hereby replaced with the following:¹⁵

If to Landowner: [Insert landowner names and address]

If to Grantee: Hale Wind Energy, LLC
700 Universe Blvd. CEA/JB
Juno Beach, FL 33408
Attention: Land Services
855-552-9872

8. **Incorporation of Recitals.** The Recitals set forth above are hereby adopted and incorporated into this Amendment as though fully set forth herein.

9. **Ratification.** The Lease, as modified by this Amendment, is hereby reinstated, ratified, and confirmed, and shall continue in full force and effect.

10. **Interpretation.** Nothing contained in this Amendment shall be construed as modifying the Lease except as specifically provided pursuant to this Amendment. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings assigned to them in the Lease.

11. **Governing Law.** This Amendment shall be governed by, and construed in accordance with, the laws of the State of Texas.

12. **Counterparts.** This Amendment may be executed with counterpart signature pages and in duplicate originals, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

13. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

[Signature Pages Follow]

¹⁵ *NTD: Include Landowner's notice block only if no landowner notice address was provided in the Lease.*

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Landowner:

STATE OF TEXAS)

)

ss.

COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2017, by _____.

Notary Public,

Commission No. _____

My Commission Expires: _____

(SEAL)

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Grantee:

Hale Wind Energy, LLC,
a Delaware limited liability company

By: _____
John Di Donato, Vice President

STATE OF FLORIDA)
)ss:
COUNTY OF PALM BEACH)

On this ____ day of _____, 2017, before me, the undersigned notary public, personally appeared John Di Donato, Vice President of Hale Wind Energy, LLC, a Delaware limited liability company, personally known to me to be the person who subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of said limited liability company and that he was duly authorized so to do.

(notary seal)

NOTARY PUBLIC, STATE OF FLORIDA

Exhibit A

Description of the Property

_____ - _____0%
(Name of Landowner)

[Insert legal description, including acreage]

Exhibit D

Energy Payment Rate

This entire Exhibit shall be deemed Confidential Information subject to Section 15.2 of the Lease and shall not be attached to any Memorandum of the Lease that is recorded in the real property records.

Extended Term Year	Energy Payment Rate (\$/MWh)	Extended Term Year	Energy Payment Rate (\$/MWh)
1	\$18.10	21	\$26.90
2	\$18.46	22	\$27.43
3	\$18.83	23	\$27.98
4	\$19.21	24	\$28.54
5	\$19.59	25	\$29.11
6	\$19.98	26	\$29.69
7	\$20.38	27	\$30.29
8	\$20.79	28	\$30.89
9	\$21.21	29	\$31.51
10	\$21.63	30	\$32.14
11	\$22.06	31	\$32.78
12	\$22.51	32	\$33.44
13	\$22.96	33	\$34.11
14	\$23.41	34	\$34.79
15	\$23.88	35	\$35.49
16	\$24.36	36	\$36.19
17	\$24.85	37	\$36.92
18	\$25.34	38	\$37.66
19	\$25.85	39	\$38.41
20	\$26.37	40	\$39.18

EXHIBIT E-3

After recording return to:
Hale Wind Energy, LLC
Attn: Dru Roscoe, Esq.
700 Universe Boulevard LAW/JB
Juno Beach, FL 33408

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

THIRD AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT

THIS THIRD AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT (“**Amendment**”) is executed of the _____ day of _____, 2017 and effective as of _____¹⁶ (the “**Amendment Effective Date**”), by and between _____ (“**Landowner**”), and [Hale Wind Energy, LLC, a Delaware limited liability company] or [Hale Petersburg Wind, LLC, a Delaware limited liability company]¹⁷ (“**Grantee**”). Landowner and Grantee may hereafter be referred to as, together, the “**Parties**” and each, a “**Party**”. Capitalized terms used in this Amendment that are not defined herein will have the meaning ascribed to them in the Lease (defined below).

Recitals

A. Landowner [*or predecessors in interest*], and _____ (“**Initial Grantee**”) entered into a Wind and Easement Lease Agreement dated _____, 20__, a Memorandum of which was recorded as Document No. _____ in the real property records of _____ County, Texas, as amended by that unrecorded Amendment to Wind and Easement Lease Agreement dated _____, 20__, and by that unrecorded Amendment to Wind and Easement Lease Agreement dated _____, 20__ (collectively, the “**Lease**”) for the purposes of assessing, developing, financing, constructing, and operating a wind farm project located in _____ County, Texas to convert wind energy into electrical energy and collect and transmit the electrical energy so converted.

¹⁶ NTD: Amendment Effective Date should be a date before the Lease expires.

¹⁷ NTD: Correct Grantee to be inserted depending on timing of assignment of leases to Hale Petersburg Wind, LLC.

B. Initial Grantee assigned the Lease to Hale Community Energy, LLC, a Texas limited liability company (“HCE”), pursuant to a Contribution Agreement effective as of September 9, 2013, as such assignment is further evidenced by that certain Assignment of Wind and Easement Lease Agreements dated _____ and effective as of September 9, 2013, which was recorded as Document No. _____ in the real property records of _____ County, Texas.

C. HCE assigned the Lease to Hale Wind Energy, LLC, a Texas limited liability company (“HWE”) pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.

D. [HWE assigned the Lease to Grantee pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.]¹⁸

[E.]The Parties desire to modify and amend the Lease in certain respects, as more particularly set forth hereinafter.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Description of the Property.** Exhibit A attached to the Lease is hereby deleted in its entirety and replaced with Exhibit A attached to this Amendment. The acreage set forth in the first paragraph of Section 1 of the Lease is hereby deleted and replaced with “[#] acres”.¹⁹

2. **Project Area and Acreage.** [Exhibit B attached to this Amendment is hereby added as an exhibit to the Lease, and]²⁰ a new Section 1.1(e) is added to the Lease as follows:

“1.1(e) Project Area and Acreage. The “Project Area” will include only, and all of, the Wind and Lease Easement Agreements, and the real property subject thereto, listed in [Exhibit A under the caption [Cottonwind Farms Project Area] [Lakeview Wind Farms Project Area] attached to that certain Assignment of Wind and Easement Lease Agreements executed _____ and recorded in the real property records of _____ County, Texas as Document No. _____] [Exhibit B attached hereto]²¹ (collectively, the “Project

¹⁸ NTD: Delete Recital D if amendment is to occur before assignment to Hale Petersburg Wind, LLC.

¹⁹ NTD: The second sentence of Section 1 should be included only if the acreage as of the Amendment Effective Date is different than the acreage as of the effective date of the original lease.

²⁰ NTD: To be determined if needed based on whether list of leases is referenced in assignment or this amendment.

²¹ NTD: Reference to list of leases to be determined based on timing of assignment of leases; if assignment to Hale Petersburg has occurred before amendment, reference to assignment can be used since it will list all of the leases included in each project. Otherwise, will need to attach a list of the leases for the applicable pool.

Leases”). The total acreage encompassed by the Project Leases is hereinafter referred to as the “Acreage”.”

3. **Term**. The first sentence of Section 3.1 of the Lease is deleted and replaced with the following:

This Agreement shall be for an initial term (the “**Development Term**”) commencing on the Effective Date and continuing until the earlier to occur of (a) the date on which Grantee begins selling electrical energy generated by Wind Turbines located within the Project Area to a third party power purchaser (the “**Operations Date**”), or (b) the tenth (10th) anniversary of the Effective Date; provided, however, if the Operations Date has not occurred on or before the tenth (10th) anniversary of the Effective Date, but Commencement of Construction has occurred by such date, the Development Term shall automatically extend to the Operations Date, provided that after Commencement of Construction, Grantee thereafter pursues completion of the Project with commercially reasonable diligence.

4. **Gross Revenues**. The last paragraph of Section 4.4 of the Lease, as added in a prior Amendment to Wind and Easement Lease Agreement, is hereby modified as follows, and Exhibit D attached hereto is hereby added as an exhibit to the Lease.

If any or all of the Wind Turbines installed within the Project Area are sold or transferred as part of a sale of the Project to a distribution cooperative, generation, and transmission provider, or utility (“**Utility**”), such that Gross Revenues shall not be produced from the sale of electricity to an off-taker pursuant to a power purchase agreement (“**PPA**”) or otherwise, then for purposes of calculating the Landowner Royalty Fees during such period of Utility ownership, Gross Revenues for such Wind Turbines shall be calculated based on the energy generated by such Wind Turbines multiplied by the energy payment rate set forth on Exhibit D attached hereto. If the acquiring Utility thereafter sells or transfers the acquired Project or any part thereof to an entity that is not a Utility, and such that electricity is sold and Gross Revenues are generated, then the Landowner Royalty Fees will again be determined as otherwise set forth in this Agreement.

5. **Phased Project**. The example calculation of the Extension Period and Extension Term appearing in Section 4.7(iii) of the Lease shall be amended in all respects to account for the amended Development Term set forth in this Amendment.

6. **Ownership of Windpower Facilities**. The first paragraph of Section 5 is hereby deleted and replaced with the following:

Landowner shall have no ownership, or other interest in any Windpower Facilities installed on the Property, or any profits derived therefrom, and Grantee may remove any or all Windpower Facilities at any time. Except for the payments

described in Section 4 above, Landowner shall not be entitled to any other payments or benefits accrued by or from the Project.

7. **Notices.** The Parties' addresses for purposes of notice under the Lease are hereby replaced with the following:²²

If to Landowner: [Insert landowner names and address]

If to Grantee: Hale Wind Energy, LLC
700 Universe Blvd. CEA/JB
Juno Beach, FL 33408
Attention: Land Services
855-552-9872

8. **Incorporation of Recitals.** The Recitals set forth above are hereby adopted and incorporated into this Amendment as though fully set forth herein.

9. **Ratification.** The Lease, as modified by this Amendment, is hereby reinstated, ratified, and confirmed, and shall continue in full force and effect.

10. **Interpretation.** Nothing contained in this Amendment shall be construed as modifying the Lease except as specifically provided pursuant to this Amendment. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings assigned to them in the Lease.

11. **Governing Law.** This Amendment shall be governed by, and construed in accordance with, the laws of the State of Texas.

12. **Counterparts.** This Amendment may be executed with counterpart signature pages and in duplicate originals, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

13. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

[Signature Pages Follow]

²² *NTD: Include Landowner's notice block only if no landowner notice address was provided in the Lease.*

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Landowner:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2017, by _____.

Notary Public,
Commission No. _____
My Commission Expires: _____

(SEAL)

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Grantee:

Hale Wind Energy, LLC,
a Delaware limited liability company

By: _____
John Di Donato, Vice President

STATE OF FLORIDA)
)ss:
COUNTY OF PALM BEACH)

On this _____ day of _____, 2017, before me, the undersigned notary public, personally appeared John Di Donato, Vice President of Hale Wind Energy, LLC, a Delaware limited liability company, personally known to me to be the person who subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of said limited liability company and that he was duly authorized so to do.

(notary seal)

NOTARY PUBLIC, STATE OF FLORIDA

Exhibit A

Description of the Property

_____ - _____0%
(Name of Landowner)

[Insert legal description, including acreage]

Exhibit D

Energy Payment Rate

This entire Exhibit shall be deemed Confidential Information subject to Section 15.2 of the Lease and shall not be attached to any Memorandum of the Lease that is recorded in the real property records.

Extended Term Year	Energy Payment Rate (\$/MWh)	Extended Term Year	Energy Payment Rate (\$/MWh)
1	\$18.10	21	\$26.90
2	\$18.46	22	\$27.43
3	\$18.83	23	\$27.98
4	\$19.21	24	\$28.54
5	\$19.59	25	\$29.11
6	\$19.98	26	\$29.69
7	\$20.38	27	\$30.29
8	\$20.79	28	\$30.89
9	\$21.21	29	\$31.51
10	\$21.63	30	\$32.14
11	\$22.06	31	\$32.78
12	\$22.51	32	\$33.44
13	\$22.96	33	\$34.11
14	\$23.41	34	\$34.79
15	\$23.88	35	\$35.49
16	\$24.36	36	\$36.19
17	\$24.85	37	\$36.92
18	\$25.34	38	\$37.66
19	\$25.85	39	\$38.41
20	\$26.37	40	\$39.18

EXHIBIT E-4

After recording return to:
Hale Wind Energy, LLC
Attn: Dru Roscoe, Esq.
700 Universe Boulevard LAW/JB
Juno Beach, FL 33408

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER.

FIRST AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT

THIS FIRST AMENDMENT TO WIND AND EASEMENT LEASE AGREEMENT (“**Amendment**”) is executed of the _____ day of _____, 2017 and effective as of _____²³ (the “**Amendment Effective Date**”), by and between _____ (“**Landowner**”), and [Hale Wind Energy, LLC, a Delaware limited liability company] or [Hale Petersburg Wind, LLC, a Delaware limited liability company]²⁴ (“**Grantee**”). Landowner and Grantee may hereafter be referred to as, together, the “**Parties**” and each, a “**Party**”. Capitalized terms used in this Amendment that are not defined herein will have the meaning ascribed to them in the Lease (defined below).

Recitals

A. Landowner [*or predecessors in interest*], and _____ (“**Initial Grantee**”) entered into a Wind and Easement Lease Agreement dated _____, 20____, a Memorandum of which was recorded as Document No. _____ in the real property records of _____ County, Texas (the “**Lease**”) for the purposes of assessing, developing, financing, constructing, and operating a wind farm project located in _____ County, Texas to convert wind energy into electrical energy and collect and transmit the electrical energy so converted.

B. Initial Grantee assigned the Lease to Hale Community Energy, LLC, a Texas limited liability company (“**HCE**”), pursuant to a Contribution Agreement effective as of September 9, 2013, as such assignment is further evidenced by that certain Assignment of Wind and Easement Lease Agreements dated _____ and effective as of September 9,

²³ NTD: Amendment Effective Date should be a date before the Lease expires.

²⁴ NTD: Correct Grantee to be inserted depending on timing of assignment of leases to Hale Petersburg Wind, LLC.

2013, which was recorded as Document No. _____ in the real property records of _____ County, Texas.

C. HCE assigned the Lease to Hale Wind Energy, LLC, a Texas limited liability company (“HWE”) pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.

D. [HWE assigned the Lease to Grantee pursuant to that certain Assignment of Wind and Easement Lease Agreements dated _____, recorded as Document No. _____ in the real property records of _____ County, Texas.]²⁵

[E.]The Parties desire to modify and amend the Lease in certain respects, as more particularly set forth hereinafter.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Description of the Property.** Exhibit A attached to the Lease is hereby deleted in its entirety and replaced with Exhibit A attached to this Amendment. The acreage set forth in the first paragraph of Section 1 of the Lease is hereby deleted and replaced with “[#] acres”.²⁶

2. **Project Area and Acreage.** [Exhibit C attached to this Amendment is hereby added as an exhibit to the Lease, and]²⁷ a Section 1.1(c) is hereby deleted and replaced with the following:

1.1(c) Project Area and Acreage. The “**Project Area**” will include only, and all of, the Wind and Lease Easement Agreements, and the real property subject thereto, listed in [Exhibit A under the caption [Cottonwind Farms Project Area] [Lakeview Wind Farms Project Area] attached to that certain Assignment of Wind and Easement Lease Agreements executed _____ and recorded in the real property records of _____ County, Texas as Document No. _____] [Exhibit B attached hereto]²⁸ (collectively, the “**Project Leases**”). The total acreage encompassed by the Project Leases is hereinafter referred to as the “**Acreage**”.

²⁵ NTD: Delete Recital D if amendment is to occur before assignment to Hale Petersburg Wind, LLC.

²⁶ NTD: The second sentence of Section 1 should be included only if the acreage as of the Amendment Effective Date is different than the acreage as of the effective date of the original lease.

²⁷ NTD: To be determined if needed based on whether list of leases is referenced in assignment or this amendment.

²⁸ NTD: Reference to list of leases to be determined based on timing of assignment of leases; if assignment to Hale Petersburg has occurred before amendment, reference to assignment can be used since it will list all of the leases included in each project. Otherwise, will need to attach a list of the leases for the applicable pool.

3. **Term**. The first sentence of Section 3.1 of the Lease is deleted and replaced with the following:

This Agreement shall be for an initial term (the "**Development Term**") commencing on the Effective Date and continuing until the earlier to occur of (a) the date on which Grantee begins selling electrical energy generated by Wind Turbines located within the Project Area to a third party power purchaser (the "**Operations Date**"), or (b) the tenth (10th) anniversary of the Effective Date; provided, however, if the Operations Date has not occurred on or before the tenth (10th) anniversary of the Effective Date, but Commencement of Construction has occurred by such date, the Development Term shall automatically extend to the Operations Date, provided that after Commencement of Construction, Grantee thereafter pursues completion of the Project with commercially reasonable diligence.

4. **Gross Revenues**. Section 4.4(d) of the Lease is hereby deleted and replaced with the following, and Exhibit D attached hereto is hereby added as an exhibit to the Lease.

If any or all of the Wind Turbines installed within the Project Area are sold or transferred as part of a sale of the Project to a distribution cooperative, generation, and transmission provider, or utility ("**Utility**"), such that Gross Revenues shall not be produced from the sale of electricity to an off-taker pursuant to a power purchase agreement ("**PPA**") or otherwise, then for purposes of calculating the Landowner Royalty Fees during such period of Utility ownership, Gross Revenues for such Wind Turbines shall be calculated based on the energy generated by such Wind Turbines multiplied by the energy payment rate set forth on Exhibit D attached hereto. If the acquiring Utility thereafter sells or transfers the acquired Project or any part thereof to an entity that is not a Utility, and such that electricity is sold and Gross Revenues are generated, then the Landowner Royalty Fees will again be determined as otherwise set forth in this Agreement.

5. **Phased Project**. The example calculation of the Extension Period and Extension Term appearing in Section 4.7(iii) of the Lease shall be amended in all respects to account for the amended Development Term set forth in this Amendment.

6. **Ownership of Windpower Facilities**. The first paragraph of Section 5 is hereby deleted and replaced with the following:

Landowner shall have no ownership, or other interest in any Windpower Facilities installed on the Property, or any profits derived therefrom, and Grantee may remove any or all Windpower Facilities at any time. Except for the payments described in Section 4 above, Landowner shall not be entitled to any other payments or benefits accrued by or from the Project.

7. **Notices.** The Parties' addresses for purposes of notice under the Lease are hereby replaced with the following:²⁹

If to Landowner: [Insert landowner names and address]

If to Grantee: Hale Wind Energy, LLC
700 Universe Blvd. CEA/JB
Juno Beach, FL 33408
Attention: Land Services
855-552-9872

8. **Incorporation of Recitals.** The Recitals set forth above are hereby adopted and incorporated into this Amendment as though fully set forth herein.

9. **Ratification.** The Lease, as modified by this Amendment, is hereby reinstated, ratified, and confirmed, and shall continue in full force and effect.

10. **Interpretation.** Nothing contained in this Amendment shall be construed as modifying the Lease except as specifically provided pursuant to this Amendment. Capitalized terms used but not otherwise defined in this Amendment shall have the meanings assigned to them in the Lease.

11. **Governing Law.** This Amendment shall be governed by, and construed in accordance with, the laws of the State of Texas.

12. **Counterparts.** This Amendment may be executed with counterpart signature pages and in duplicate originals, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

13. **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

[Signature Pages Follow]

²⁹ *NTD: Landowner address block should be included only if no landowner notice address was provided in the Lease.*

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Landowner:

STATE OF TEXAS)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2017, by _____.

Notary Public,
Commission No. _____
My Commission Expires: _____

(SEAL)

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the Amendment Effective Date.

Grantee:

Hale Wind Energy, LLC,
a Delaware limited liability company

By: _____
John Di Donato, Vice President

STATE OF FLORIDA)
)ss:
COUNTY OF PALM BEACH)

On this _____ day of _____, 2017, before me, the undersigned notary public, personally appeared John Di Donato, Vice President of Hale Wind Energy, LLC, a Delaware limited liability company, personally known to me to be the person who subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of said limited liability company and that he was duly authorized so to do.

(notary seal)

NOTARY PUBLIC, STATE OF FLORIDA

Exhibit A

Description of the Property

_____ - _____0%
(Name of Landowner)

[Insert legal description, including acreage]

Exhibit D

Energy Payment Rate

This entire Exhibit shall be deemed Confidential Information subject to Section 15.2 of the Lease and shall not be attached to any Memorandum of the Lease that is recorded in the real property records.

Extended Term Year	Energy Payment Rate (\$/MWh)	Extended Term Year	Energy Payment Rate (\$/MWh)
1	\$18.10	21	\$26.90
2	\$18.46	22	\$27.43
3	\$18.83	23	\$27.98
4	\$19.21	24	\$28.54
5	\$19.59	25	\$29.11
6	\$19.98	26	\$29.69
7	\$20.38	27	\$30.29
8	\$20.79	28	\$30.89
9	\$21.21	29	\$31.51
10	\$21.63	30	\$32.14
11	\$22.06	31	\$32.78
12	\$22.51	32	\$33.44
13	\$22.96	33	\$34.11
14	\$23.41	34	\$34.79
15	\$23.88	35	\$35.49
16	\$24.36	36	\$36.19
17	\$24.85	37	\$36.92
18	\$25.34	38	\$37.66
19	\$25.85	39	\$38.41
20	\$26.37	40	\$39.18

Exhibit F

Form of Resignation

To Whom It May Concern:

Simultaneously with the Closing (as defined in that certain Purchase and Sale Agreement, dated as of March 6, 2017, by and between ESI Energy, LLC and Southwestern Public Service Company), the undersigned hereby resigns as a *[insert applicable titles/positions]* of Hale Petersburg Wind, LLC.

Dated: _____

[Officer Name]

Disclosure Schedules
To
Purchase and Sale Agreement

These disclosure schedules (“*Schedules*”) are furnished pursuant to the Purchase and Sale Agreement, dated as of March 6, 2017 (the “*Purchase and Sale Agreement*”), by and between Southwestern Public Service Company, a New Mexico corporation (“*Buyer*”) and ESI Energy, LLC, a Delaware limited liability company (“*Seller*”). Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Purchase and Sale Agreement.

Schedule 1.1-DP (Design Package)

Approved EORs	Collection	Substation	Transmission	Geotech
Ulteig		X	X	
P & E Engineering	X	X		
Sargeant & Lundy	X	X	X	
Kleinfelder	X	X	X	
ECI - Electrical Consultants, Inc.	X	X		
Burns & MacDonald		X	X	
Barr Engineering				X
RRC Engineering				X
Braun Intertec				X
American Engineering & Testing				X

30 % Collection Design

One-Line

Design Criteria

Cable Quantities

Site Layout with circuit routes in support of permitting

30% Substation Design

Design Criteria

Metering & Relaying One-Line Diagram

General Arrangement

Site Plan

Grading Plan

30% Transmission Line Design

Design Criteria

Transmission Line Plan and Profile
Pole Outlines, Details and Material List

Roads

General Site Plan layout of turbine access roads and public roads identifying any public road intersection improvements required along the haul route, including the required improvements and layouts as required to support permitting, but excluding a full civil design of the intersection improvements.

Identification of ingress/egress

Turning Radii identified

Crossings and avoidance identified

Construction Easements around turbines identified

Preliminary Haul Route identified

Crane walks and other temporary disturbances identified (provided by SPS's contractor)

Schedule 1.1-K (Knowledge)

1. Anthony Pedroni, Executive Director-Development
2. Daryl Hart, Director -Development
3. Dion Watson, Associate Project Manager-Development

Schedule 1.1–PL (Permitted Liens)

None.

Schedule 1.1-RE (Required Estoppels)

The Land Contracts covering Real Property Interests upon which Project improvements will be located, including, without limitation, wind turbines, collection systems, roads, interconnection facilities, and the operation and maintenance building.

Schedule 2.7(b)(vi) (Liens to be Released)

None.

Schedule 2.7(b)(ix) (Required Consents)

1. Pursuant to section 13 of that certain Option and Transmission Easement Agreement, dated April 14, 2015 (the “Irish Easement”), by and between the Irish Family Limited Partnership (“Grantor”) and Hale Wind Energy, LLC (as assignee of Hale Community Energy, LLC, “HWE”), the prior written consent of Grantor will be required for the assignment of the Irish Easement from HWE to the Company prior to the Closing.
2. The assignment of the Generator Interconnection Agreement from Hale Wind Energy, LLC (“HWE”) to the Company (an Affiliate of HWE), and the subsequent sale of the Shares to Buyer as contemplated by the Purchase and Sale Agreement (collectively, the “GIA Transfer”), should not trigger consent requirement of Southwest Power Pool (as Transmission Provider “SPP”) and Southwestern Public Service Company (as Transmission Owner “SPS”) pursuant to Section 19.1 of the Generator Interconnection Agreement. However, if required by SPP and SPS, Seller may seek to obtain the consent of SPP and SPS under Section 19.1 of the Generator Interconnection Agreement in connection with the GIA Transfer.
3. The assignment and amendment of the Property Tax Agreements as contemplated in Section 2.7(b)(xviii) and Section 6.6(s) of the Agreement.

Schedule 3.3(b) (Seller Conflicts)

1. See Schedule 2.7(b)(vi) (Lien Release).
2. See Schedule 2.7(b)(ix) (Required Consents).
3. See Schedule 4.3(b) (Company Conflicts)

Schedule 3.3(c) (Seller Conflicts)

1. See Schedule 2.7(b)(vi) (Lien Release).
2. See Schedule 2.7(b)(ix) (Required Consents).

Schedule 3.7 (Development Agreements)

Pursuant to that certain Asset Purchase Agreement, dated as of July 10, 2015 (the “APA”), by and between Hale Community Energy, LLC (“HCE”), and Hale Wind Energy, LLC, a subsidiary of Seller (“HWE”), HWE is obligated to pay HCE certain purchase price payments upon the achievement of certain milestones with respect to the power purchase contracting, construction, and commercial operation of a wind powered electrical generating facility utilizing assets acquired under the APA (“Milestone Payments”). Seller is a guarantor of these obligations pursuant to a parent guaranty delivered by Seller to HCE. Upon Closing, Seller will use a portion of the proceeds to pay HCE in full an amount sufficient to discharge all obligations with respect to the Milestone Payments.

Schedule 4.3(b) (Company Conflicts)

1. See Schedule 3.3(c) (Seller Conflicts).
2. See Schedule 2.7(b)(vi) (Lien Release).
3. See Schedule 2.7(b)(ix) (Required Consents).

Schedule 4.5(c) (Purchased Assets)

None.

Schedule 4.5(f) (Meteorological Towers and Equipment)

1. Met Tower – MET-3296: The tower includes historical meteorological data from approximately April of 2011.
2. Met Tower – MET-3297: The tower includes historical meteorological data from approximately March of 2010.
3. Met Tower – MET-7965: The tower includes historical meteorological data from approximately August of 2014.

Schedule 4.6 (Bank Accounts)

None.

Schedule 4.8 (Legal Proceedings)

None.

Schedule 4.10 (Unaudited Balance Sheet)

Unaudited balance sheet:

Will be provided in accordance with the Purchase and Sale Agreement.

Exceptions to no liabilities:

Will be provided in accordance with the Purchase and Sale Agreement.

Schedule 4.11 (Taxes)

None.

Schedule 4.13(a) (Purchased Contracts)

1. Generator Interconnection Agreement, (GEN-2012-020), dated May 29, 2014, among Hale Wind Energy, LLC, SPP, and Southwestern Public Service Company.
2. Environmental Purchase Orders issued pursuant to the Master Service Agreement by and between NextEra Energy Resources and the consultant listed.

Consultant	Entity	Services	PO	Date
SWCA	Company	Winter Eagle Surveys	2000226515	1/12/2017
SWCA	Hale Wind Energy, LLC	Biological Support	2000198208	3/4/2016
Tetra Tech	Hale Wind Energy, LLC	Biological Support	2000181082	9/2/2015

3. Purchase Order between Barr Engineering and NextEra Energy Resources, dated as of January 19, 2017, for services to be rendered with respect to geotechnical support for the Project.
4. Property Tax Incentives and Consulting Services Engagement Letter between Cummings Westlake, LLC and NextEra Energy Resources, LLC, dated as of October 29, 2015, for services to be rendered with respect to property tax incentives.
5. Delivery and Work Authorization between Kimley-Horn and Associates, Inc. and NextEra Energy Resources, LLC, dated as of October 29, 2015, for services to be rendered with respect to permitting and crossing agreement support.
6. Purchase Order between SAM, Inc. and NextEra Energy Resources, LLC, dated as of November 19, 2015, for services to be rendered with respect to utility locating and micro-siting services.
7. Development Services Agreement between Tri Global Energy, LLC and Hale Wind Energy, LLC, dated as of May 24, 2016, for services to be rendered with respect to development.
8. Tax Abatement Agreement, dated May 23, 2016, between the County of Hale, Texas and Hale Wind Energy, LLC.

9. Agreement For Limitation on Appraised Value of Property for School District Maintenance And Operations Taxes, dated November 17, 2016, between Petersburg Independent School District and Hale Wind Energy, LLC.

Schedule 4.13(b) (Support Obligations)

None.

Schedule 4.13(g) (Shared Contracts)

None.

Schedule 4.14(a) (Land Contracts)

Wind and Easement Lease Agreements

Cottonwind Farms Project Area

1. Wind and Easement Lease Agreement dated and effective as of July 15, 2016 by and between Jim Byrd a/k/a Jimmy Byrd a/k/a James Thomas Byrd a/k/s James T. Byrd and Billie Byrd a/k/a Billie R. Byrd, husband and wife, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003381 in the Official Public Records of Hale County, Texas, and recorded in Book 0116, Page 0380, in the Official Public Records of Floyd County, Texas.
2. Wind and Easement Lease Agreement dated and effective as of March 23, 2016 by and between Jim Byrd and Billie Byrd, husband and wife, Sandra Hegi, a single woman, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-001332 in the Official Public Records of Hale County, Texas.
3. Wind and Easement Lease Agreement dated and effective as of January 11, 2010 by and between Robert Dale Carpenter and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000589 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
4. Wind and Easement Lease Agreement dated and effective as of October 5, 2009 by and between CGG Farms and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003668 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
5. Wind and Easement Lease Agreement dated and effective as of March 2, 2010 by and between James P. Collins and Loretta J. Collins and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001160 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
6. Wind and Easement Lease Agreement dated and effective as of February 3, 2010 by and between Jonathan Collins and Rachelle Collins and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000590 in the Official Public

Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

7. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Drake Trusts Under the Will of Alma Sharp and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003028 in the Official Public Records of Hale County, Texas, a corrected Memorandum of which was recorded as Document No. 2010-000591 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
8. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Drake Trusts Under the Will of Joe Sharp and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003030 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
9. Wind and Easement Lease Agreement dated and effective as of October 28, 2009 by and between V.E. & Virginia Ellison and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001157 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of December 9, 2016 and effective as of October 27, 2009, which will be recorded in the Official Public Records of Hale County, Texas.
10. Wind and Easement Lease Agreement dated and effective as of April 20, 2010 by and between Olan E. Finkner and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001588 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
11. Wind and Easement Lease Agreement dated and effective as of November 4, 2009 by and between Elmer D. Fleming and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000592 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement as of December 9, 2016 and

effective as of November 3, 2016, which will be recorded in the Official Public Records of Hale County, Texas.

12. Wind and Easement Lease Agreement dated and effective as of January 20, 2010 by and between Robert E. Fowler and Fowler Family Trust and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000593 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
13. Wind and Easement Lease Agreement dated and effective as of November 21, 2016 by and between Ginn & Rodgers Farm Partnership and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2017-000400 in the Official Public Records of Hale County, Texas.
14. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Gregory Farms, Inc and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003671 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed and effective as of September 1, 2016, recorded as Document No. 2016-003559 in the Official Public Records of Hale County, Texas.
15. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Tom R. Gregory and Amy S. Gregory and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003670 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
16. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Tom R. Gregory and Amy S. Gregory and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003669 in the Official Public Records of Hale County, Texas, as amended by that certain Amendment to Wind and Easement Lease Agreement dated September 27, 2016 and effective as of August 30, 2016, a Memorandum of which was recorded as Document No. 2016-003555 in the Official Public Records of Hale County, Texas.
17. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Gaylord Groce and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003672 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain

Second Amendment to Wind and Easement Lease Agreement executed and effective as of September 6, 2016, recorded as Document No. 2016-003560 in the Official Public Records of Hale County, Texas.

18. Wind and Easement Lease Agreement dated and effective as of January 27, 2010 by and between Pauline Hamilton, and Aubrey W. & Jewell H. Howell Revocable Living Trust and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000595 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
19. Wind and Easement Lease Agreement dated and effective as of November 16, 2011 by and between Kevin C. Hamlin and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2011-004587 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
20. Wind and Easement Lease Agreement dated and effective as of April 28, 2010 by and between Ella Jane Haney and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001586 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
21. Wind and Easement Lease Agreement dated and effective as of March 31, 2010 by and between Harlan Brothers Land, Inc. and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001591 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
22. Wind and Easement Lease Agreement dated and effective as of December 3, 2009 by and between Bill John Hegi Estate and Rex Hegi and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000597 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
23. Wind and Easement Lease Agreement dated and effective as of December 3, 2009 by and between Bill John Hegi Estate and Sandra Hegi and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000598 in the Official Public

Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

24. Wind and Easement Lease Agreement dated and effective as of February 18, 2010 by and between Arthur E. and Betty L. Hegi Trust and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000876 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
25. Wind and Easement Lease Agreement dated and effective as of December 3, 2009 by and between Rex Hegi and Becky Hegi and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000596 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
26. Wind and Easement Lease Agreement dated and effective as of March 3, 2010 by and between Gary Houchin and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000879 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
27. Wind and Easement Lease Agreement, unrecorded, dated and effective as of January 17, 2012 by and between Gary Houchin and Mary Houchin and Cottonwind Farms, LLC, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
28. Wind and Easement Lease Agreement dated and effective as of March 10, 2010 by and between Anita June Houchin and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000880 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, as assigned to Gary Wayne Houchin and Harvey Dan Houchin in that certain Assignment and Assumption of Lease dated and effective as of January 17, 2012, between Gary Wayne Houchin, Independent Executor of the Estate of Anita June Houchin and Gary Wayne Houchin and Harvey Dan Houchin.
29. Wind and Easement Lease Agreement dated and effective as of September 29, 2009 by and between Jim Byrd Farms, Inc. and Cottonwind Farms, LLC, a Memorandum of which was

recorded as Document No. 2009-003673 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed and effective as of September 6, 2016, recorded as Document No. 2016-003561 in the Official Public Records of Hale County, Texas.

30. Wind and Easement Lease Agreement dated and effective as of April 28, 2010 by and between KDR Feeders Inc., and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001585 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
31. Wind and Easement Lease Agreement dated and effective as of September 6, 2016 by and between KDR Feeders Inc., and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003556 in the Official Public Records of Hale County, Texas.
32. Wind and Easement Lease Agreement dated and effective as of October 20, 2009 by and between Don Karl Kelley and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000599 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
33. Wind and Easement Lease Agreement dated and effective as of May 11, 2010 by and between Wallace K. Klatt and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001961 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
34. Wind and Easement Lease Agreement dated and effective as of January 21, 2010 by and between Henry Kveton and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000600 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
35. Wind and Easement Lease Agreement dated and effective as of April 30, 2010 by and between M. E. Lewis and Gary Weaver and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001592 in the Official Public Records of Hale

County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

36. Wind and Easement Lease Agreement dated and effective as of May 18, 2010 by and between Truman O. Lewis & T. Kirby Lewis and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001963 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
37. Wind and Easement Lease Agreement dated and effective as of November 3, 2009 by and between LJJM Scarborough, LLC and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000875 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of December 9, 2016 and effective as of November 2, 2016, which will be recorded in the Official Public Records of Hale County, Texas.
38. Wind and Easement Lease Agreement dated and effective as of April 27, 2010 by and between Malouf & Sons Inc., No. 1 and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001590 in the Official Public Records of Hale County, Texas.
39. Wind and Easement Lease Agreement dated and effective as of May 26, 2010 by and between Glenford & Marie Marr and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002310 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
40. Wind and Easement Lease Agreement dated and effective as of October 24, 2016 by and between Lula Marie Marr, a single woman, and Natile Marr Woodrow, Successor Trustee of the Glenford T. Marr Estate Trust created under the Last Will and Testament of Glenford T. Marr, deceased, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003940.
41. Wind and Easement Lease Agreement dated and effective as of January 13, 2010 by and between Charles C. McDonough, John F. McDonough, Jr., Virginia Hoggins and Dorothy I. Burkert and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000601, and a corrected Memorandum of which was recorded as Document No.

2010-001163 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]

42. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between McLaughlin Family Trust and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003676 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
43. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Mary Ann McLaughlin Trust #1 and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003029 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, as to all real property subject thereto, except: Section 11, Blk R, AB 228, Hale County, TX. [Term expired – renewal subject to Amendment]
44. Wind and Easement Lease Agreement dated and effective as of April 22, 2010 by and between Mid-Plains Farms Inc and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-004107 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
45. Wind and Easement Lease Agreement dated and effective as of October 26, 2009 by and between Dale T. Milner Living Trust and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003678 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
46. Wind and Easement Lease Agreement dated and effective as of January 14, 2010 by and between Dale T. Milner, Dale A. Milner, Teresa Douglas, Michael D. Milner, and Donald G. Milner and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001159 and re-recorded as Document No. 2010-001587 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

47. Wind and Easement Lease Agreement dated and effective as of February 5, 2010 by and between Joel B. Mitchell and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000602 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
48. Wind and Easement Lease Agreement dated and effective as of January 21, 2010 by and between Jerry C. Mull and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000604 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
49. Wind and Easement Lease Agreement dated and effective as of July 15, 2016 by and between Jo Ed Noel and Belinda Noel, Trustees of the Jo Ed Noel and Belinda Noel Revocable Living Trust under an instrument dated February 7, 2008, and Jo Ed Noel and Belinda Noel, husband and wife, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-002932 in the Official Public Records of Hale County, Texas.
50. Wind and Easement Lease Agreement dated and effective as of July 15, 2016 by and between Jo Ed Noel and Belinda Noel, Trustees of the Jo Ed Noel and Belinda Noel Revocable Living Trust under an instrument dated February 7, 2008, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-002933 in the Official Public Records of Hale County, Texas.
51. Wind and Easement Lease Agreement dated and effective as of February 26, 2010 by and between Johnny Noel and Deborah Noel and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000877 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
52. Wind and Easement Lease Agreement dated and effective as of September 1, 2009 by and between Harold F. Priddy and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003677 in the Official Public Records of Hale County, Texas, as amended by that certain Amendment to Wind and Easement Lease Agreement dated November 21, 2016 and effective as of August 31, 2016, a Memorandum of which was recorded as Document No. 2017-000403 in the Official Public Records of Hale County, Texas.

53. Wind and Easement Lease Agreement dated and effective as of June 2, 2016 by and between Gildardo Orozco and Lissa Orozco f/k/a Lissa Maldonado, husband and wife, and Juan A. Maldonado and Mary Maldonado, husband and wife, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-002911 in the Official Public Records of Hale County, Texas.
54. Wind and Easement Lease Agreement dated and effective as of January 13, 2010 by and between Larry J. Parish & Johnnie Halbrooks and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000594 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
55. Wind and Easement Lease Agreement dated and effective as of May 7, 2010 by and between Steve Patterson and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001962 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
56. Wind and Easement Lease Agreement dated and effective as of October 18, 2016, by and between Justin E. Reed and Isabel Reed, husband and wife, and Valarie K. Friday f/k/a Valarie K. Reed and Stephen Friday, wife and husband, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003939 in the Official Public Records of Hale County, Texas.
57. Wind and Easement Lease Agreement dated and effective as of October 12, 2009 by and between Truman Reese and Sherry Reese and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003674 in the Official Public Records of Hale County, Texas, a corrected Memorandum of which was recorded as Document No. 2010-000605, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of October 13, 2016 and effective as of October 11, 2009, recorded as Document No. 2016-003558 in the Official Public Records of Hale County, Texas.
58. Wind and Easement Lease Agreement dated and effective as of December 3, 2015 by and between Rockinstar, LLC and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-000471 in the Official Public Records of Hale County, Texas.

59. Wind and Easement Lease Agreement dated and effective as of March 11, 2010 by and between Mrs. Arthur Lou Rokohl and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001165 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
60. Wind and Easement Lease Agreement dated and effective as of December 30, 2009 by and between Peggy Ann Runchey and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000606 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
61. Wind and Easement Lease Agreement dated and effective as of May 5, 2010 by and between John Scarborough and Jen Scarborough a/k/a Jennifer Scarborough and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001960 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
62. Wind and Easement Lease Agreement dated and effective as of December 17, 2009 by and between GC Seagler and Lois Seagler and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000607, as amended by that certain Amendment to Wind and Easement Lease Agreement dated and effective as of January 1, 2012, a Memorandum which was recorded as Document No. 2013-000924 in the Official Public Records of Hale County, Texas, as further amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
63. Wind and Easement Lease Agreement dated and effective as of April 28, 2010 by and between Kelly G. Smalley and Ronna K. Smalley and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001584 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
64. Wind and Easement Lease Agreement dated and effective as of December 17, 2009 by and between Betty June Stanton and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000608 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

65. Wind and Easement Lease Agreement dated and effective as of October 18, 2016 by and between John William Stanton and Gail Stanton, husband and wife, and John Tyler Stanton and Allyson S. Stanton, husband and wife, and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003942 in the Official Public Records of Hale County, Texas.
66. Wind and Easement Lease Agreement dated and effective as of October 18, 2016 by and between June Stanton and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-003941 in the Official Public Records of Hale County, Texas.
67. Wind and Easement Lease Agreement dated and effective as of August 31, 2009 by and between Billy & Marvin H. Stephens and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2009-003675 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of November 11, 2016 and effective as of August 30, 2016, recorded as Document No. 2017-000406 in the Official Public Records of Hale County, Texas.
68. Wind and Easement Lease Agreement dated and effective as of November 5, 2009 by and between Johnny Bill Sue and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000609 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of November 21, 2016 and effective as of November 4, 2016, recorded as Document No. 2017-000404 in the Official Public Records of Hale County, Texas.
69. Wind and Easement Lease Agreement dated and effective as of March 4, 2010 by and between Wanda Thompson and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000878 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
70. Wind and Easement Lease Agreement dated and effective as of December 30, 2009 by and between Bobby J. Thorpe and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000610 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease

Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

71. Wind and Easement Lease Agreement dated and effective as of October 30, 2009 by and between Triple E Farms, Inc. and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000611 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of November 21, 2016 and effective as of October 29, 2016, recorded as Document No. 2017-000405 in the Official Public Records of Hale County, Texas.
72. Wind and Easement Lease Agreement dated and effective as of March 15, 2010 by and between Jerry Veach and Suzanne Cantrell Quisenberry and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001164 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
73. Wind and Easement Lease Agreement dated and effective as of March 31, 2010 by and between Jerry D. Wienke & Joan Weaver and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001166 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
74. Wind and Easement Lease Agreement dated and effective as of May 9, 2016 by and between Lajuana Sue Williams a/k/a L. Sue Williams, Trustee of the Lajuana Sue Williams Trust dated March 4, 2009 and L. Sue Williams and Daralyn D. Jiron, Co-Trustees of the Williams Family Trust dated January 31, 2008 and Hale Wind Energy, LLC, a Memorandum of which was recorded as Document No. 2016-001791 in the Official Public Records of Hale County, Texas.
75. Wind and Easement Lease Agreement dated and effective as of May 3, 2010 by and between Leslie Leon Williams and Carolyn F. Williams and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001959 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
76. Wind and Easement Lease Agreement dated and effective as of February 17, 2010 by and between Jim Paul Wilson and Cottonwind Farms, LLC, a Memorandum of which was

recorded as Document No. 2010-001162 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

77. Wind and Easement Lease Agreement dated and effective as of February 17, 2010 by and between Robert E. Wilson and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001161 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

78. Wind and Easement Lease Agreement dated and effective as of January 28, 2010 by and between Robert Ted Wilson and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000612 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

79. Wind and Easement Lease Agreement dated and effective as of January 11, 2010 by and between A.A. Wimmer & H.W. Mosser and Cottonwind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000603 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

Lakeview Wind Farms Project Area

80. Wind and Easement Lease Agreement dated and effective as of December 23, 2009 by and between LaHonda Goldston Adams and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000565 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

81. Wind and Easement Lease Agreement dated and effective as of June 1, 2010 by and between Derwood L. Amonett Revocable Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-003489 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

82. Wind and Easement Lease Agreement dated and effective as of March 19, 2010 by and between Carl Owen Amonett and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001148 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
83. Wind and Easement Lease Agreement dated and effective as of December 14, 2009 by and between W.C. Bryant and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000569 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
84. Wind and Easement Lease Agreement dated and effective as of October 7, 2009 by and between Buchanan Trusts (AM & JF) and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001150 in the Official Public Records of Hale County, Texas, as amended by that certain Amendment to Wind and Easement Lease Agreement dated October 27, 2016 and effective as of October 6, 2016, a Memorandum of which was recorded as Document No. 2017-000401 in the Official Public Records of Hale County, Texas.
85. Wind and Easement Lease Agreement dated and effective as of January 8, 2010 by and between Chad Byrd and Kerry Byrd and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000570 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
86. Wind and Easement Lease Agreement dated and effective as of January 28, 2010 by and between G.D. Clapp, et al, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001138 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
87. Wind and Easement Lease Agreement dated and effective as of April 9, 2010 by and between Vivian V. Colwell Kim K. Colwell, Renee Karen Colwell, Ronald Colwell, Tanda Carol Trussell Estate, and Danny Lynn Trusell and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001578 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

88. Wind and Easement Lease Agreement dated and effective as of March 22, 2010 by and between Walter W. Cox and Coralie Cox and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001153 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
89. Wind and Easement Lease Agreement dated and effective as of May 27, 2010 by and between D Max Partnership LTD and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002311 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
90. Wind and Easement Lease Agreement dated and effective as of April 26, 2010 by and between Harlan Family Farms, Inc. and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001575 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
91. Wind and Easement Lease Agreement dated and effective as of January 25, 2010 by and between Jim Byrd Farms, Inc. and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000571 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
92. Wind and Easement Lease Agreement dated and effective as of January 26, 2010 by and between L. Murfee Investments, LTD and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000576 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
93. Wind and Easement Lease Agreement dated and effective as of December 23, 2009 by and between Walter L. Lutrick and Mary L. Lutrick Revocable Living Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000580 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

94. Wind and Easement Lease Agreement dated and effective as of February 16, 2010 by and between Vernon Lindy Neis and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001137 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
95. Wind and Easement Lease Agreement dated and effective as of April 14, 2010 by and between Carl Phillips Trust and Juanita E. Phillips Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001582 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
96. Wind and Easement Lease Agreement dated and effective as of October 12, 2009 by and between Truman Reese and Sherry Reese and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001152 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015, and as further amended by that certain Second Amendment to Wind and Easement Lease Agreement executed as of October 13, 2016 and effective as of October 11, 2016, recorded as Document No. 2016-003557 in the Official Public Records of Hale County, Texas.
97. Wind and Easement Lease Agreement dated and effective as of February 2, 2010 by and between Bob Riley and Gwen Riley and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001145 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
98. Wind and Easement Lease Agreement dated and effective as of February 23, 2010 by and between Kyle O. Smith and Shelly D. Smith and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001141 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
99. Wind and Easement Lease Agreement dated and effective as of January 25, 2010 by and between A.L. Stone, Jr., and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001146 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

100. Wind and Easement Lease Agreement dated and effective as of June 17, 2010 by and between Orrin Wendell Tooker and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002313 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
101. Wind and Easement Lease Agreement dated and effective as of December 10, 2009 by and between Louise and James Waters Revocable Trust, Charles Scarborough Revocable Trust, David Scarborough Revocable Trust, Nancy K. Savino Revocable Trust and Peggy Greenwood Revocable Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000583 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
102. Wind and Easement Lease Agreement dated and effective as of May 24, 2010 by and between Larry D. and Shanda R. Wilson and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001964 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

Lakeview Outliers

103. Wind and Easement Lease Agreement dated and effective as of February 16, 2010 by and between Gladys Addison, Loretta Parks, Kenneth Schoppa and Roxie Brown Sammons, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-004105 and 2010-001133 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]
104. Wind and Easement Lease Agreement dated and effective as of January 22, 2010 by and between Guy Bartlett and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000566 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
105. Wind and Easement Lease Agreement dated and effective as of April 12, 2010 by and between Benn Farm Properties, LLC and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001576 in the Official Public Records of Hale

County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

106. Wind and Easement Lease Agreement dated and effective as of February 16, 2010 by and between Sidney Berry, Alan Berry, Aron Berry, Janis Berry, and Shane Berry, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001139 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
107. Wind and Easement Lease Agreement dated and effective as of April 7, 2010 by and between Jeanette T. Bloomfield and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001577 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
108. Wind and Easement Lease Agreement dated and effective as of March 31, 2010 by and between Betty Sue Brenneman and Mary Ann Johnson and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001155 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
109. Wind and Easement Lease Agreement dated and effective as of December 14, 2009 by and between Imogene E. Bryant and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000568 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
110. Wind and Easement Lease Agreement dated and effective as of December 14, 2009 by and between W.C. Bryant & Imogene E. Bryant and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000567 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
111. Wind and Easement Lease Agreement dated and effective as of April 9, 2010 by and between Vivian V. Colwell, Kim K. Colwell, Rene Karen Colwell, Ronald Colwell, Tanda Carol Trussel Estate and Danny Lynn Trussel, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001579 in the Official Public

Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

112. Wind and Easement Lease Agreement dated and effective as of April 9, 2010 by and between Vivian V. Colwell, Kim K. Colwell, Rene Karen Colwell, Ronald Colwell, Tanda Carol Trussel Estate and Danny Lynn Trussel, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001581 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
113. Wind and Easement Lease Agreement dated and effective as of April 9, 2010 by and between Vivian V. Colwell, Kim K. Colwell, Rene Karen Colwell, Ronald Colwell, Tanda Carol Trussel Estate and Danny Lynn Trussel, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001580 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
114. Wind and Easement Lease Agreement dated and effective as of February 2, 2010 by and between Betty Gale Davis and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000572 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
115. Wind and Easement Lease Agreement dated and effective as of February 11, 2010 by and between Bill Foster and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000573 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
116. Wind and Easement Lease Agreement dated and effective as of February 22, 2010 by and between Johnnie Halbrooks and John Halbrooks Jr. and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001140 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
117. Wind and Easement Lease Agreement dated and effective as of January 15, 2010 by and between Deborah Hall and Lakeview Wind Farms, LLC, a Memorandum of which was

recorded as Document No. 2010-000574 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]

118. Wind and Easement Lease Agreement dated and effective as of July 14, 2010 by and between Fredrick A. Harkey, Jr. & Mary Harkey and Curtis L. Harkey, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002827 in the Official Public Records of Hale County, Texas.
119. Wind and Easement Lease Agreement dated and effective as of January 22, 2010 by and between David Hunt and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000575 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
120. Wind and Easement Lease Agreement dated and effective as of October 7, 2009 by and between Jackson Living Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001149 in the Official Public Records of Hale County, Texas, as amended by that certain Amendment to Wind and Easement Lease Agreement entered into as of October 27, 2016 and effective as of October 6, 2016, a Memorandum of which was recorded as Document No. 2017-000402 in the Official Public Records of Hale County, Texas.
121. Wind and Easement Lease Agreement dated and effective as of July 7, 2015 by and between Glenn D. Knight & Phyllis Knight and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2015-002841 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
122. Wind and Easement Lease Agreement dated and effective as of June 29, 2015 by and between Roy Lee Knight and Kay D. Knight and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2015-002344 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
123. Wind and Easement Lease Agreement dated and effective as of June 15, 2010 by and between Allen Lester and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-003160 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

124. Wind and Easement Lease Agreement dated and effective as of June 15, 2010 by and between Kevin L. Lester and Amy Lester and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-003159 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
125. Wind and Easement Lease Agreement dated and effective as of December 21, 2009 by and between Harvey and Edna Lutrick and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000577 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
126. Wind and Easement Lease Agreement dated and effective as of December 12, 2009 by and between Larry and Scott Lutrick and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000578 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
127. Wind and Easement Lease Agreement dated and effective as of December 3, 2009 by and between Raymond S. & Kimberly Lutrick and Larry W. & Bambi Lutrick, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000579 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
128. Wind and Easement Lease Agreement dated and effective as of April 1, 2010 by and between Bobbie L. Marshall and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001583 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
129. Wind and Easement Lease Agreement dated and effective as of May 17, 2010 by and between V.T. McDougal and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001967 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

130. Wind and Easement Lease Agreement dated and effective as of March 31, 2010 by and between Mary Megna and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001154 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
131. Wind and Easement Lease Agreement dated and effective as of March 17, 2010 by and between Joseph T. Patton et al and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001147 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
132. Wind and Easement Lease Agreement dated and effective as of October 7, 2009 by and between Phillips Hughes Farm and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001151 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
133. Wind and Easement Lease Agreement dated and effective as of June 12, 2015 by and between David D. Reed, Jr. Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2015-002186 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.
134. Wind and Easement Lease Agreement dated and effective as of February 2, 2010 by and between Bob Riley and Gwen Riley and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000581 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
135. Wind and Easement Lease Agreement dated and effective as of May 18, 2010 by and between Roger Max Riley & Melody Riley and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001966 in the Official Public Records of Hale County, Texas, as amended by those certain (2) unrecorded Amendments to Wind and Easement Lease Agreement, each dated and effective as of July 30, 2015.
136. Wind and Easement Lease Agreement dated and effective as of December 16, 2009 by and between Danny L. Ryan Trust and Lakeview Wind Farms, LLC, a Memorandum of

which was recorded as Document No. 2010-000582 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

137. Wind and Easement Lease Agreement dated and effective as of January 21, 2010 by and between Billy F. Skipper, Johnny W. Skipper, Gary D. Skipper and Truett L. Skipper, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000584 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

138. Wind and Easement Lease Agreement dated and effective as of January 19, 2010 by and between Donald E. Smith et ux and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000586 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

139. Wind and Easement Lease Agreement dated and effective as of January 18, 2010 by and between Y.F. Snodgrass and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000585 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

140. Wind and Easement Lease Agreement dated and effective as of May 19, 2010 by and between Jo Ann Stevens and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001965 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

141. Wind and Easement Lease Agreement dated and effective as of June 9, 2010 by and between Don D. Stone and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002312 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

142. Wind and Easement Lease Agreement dated and effective as of January 25, 2010 by and between Pauline Stone and Lakeview Wind Farms, LLC, a Memorandum of which was

recorded as Document No. 2010-000587 in the Official Public Records of Hale County, Texas. [Term expired – renewal subject to Amendment]

143. Wind and Easement Lease Agreement dated and effective as of June 16, 2010 by and between John and Michelle F. Todd and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-003161 in the Official Public Records of Hale County, Texas.
144. Wind and Easement Lease Agreement dated and effective as of February 12, 2010 by and between Edwin L. Vadder and Mary E. Vadder and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001134 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
145. Wind and Easement Lease Agreement dated and effective as of February 16, 2010 by and between Reita Fern Castleberry Vincurek and James Francis Vincurek, Betty Jane Castleberry, Roberta Wyvon Castleberry Miller, Reba Jean Castleberry Odum and W.T. Sewell, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001144 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
146. Wind and Easement Lease Agreement dated and effective as of February 17, 2010 by and between George Walker and Pamela Walker and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001136 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
147. Wind and Easement Lease Agreement dated and effective as of February 17, 2010 by and between Pamela Pratt Walker and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001135 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]
148. Wind and Easement Lease Agreement dated and effective as of March 4, 2010 by and between Ralph W. Wolf and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-001143 in the Official Public Records of Hale County,

Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective July 30, 2015.

149. Wind and Easement Lease Agreement dated and effective as of December 28, 2009 by and between Dorothy Woods, Kay Williams and Donna Whillock, and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-000588 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015. [Term expired – renewal subject to Amendment]

150. Wind and Easement Lease Agreement dated and effective as of June 16, 2010 by and between Ruth P. Young Revocable Living Trust and Lakeview Wind Farms, LLC, a Memorandum of which was recorded as Document No. 2010-002314 in the Official Public Records of Hale County, Texas, as amended by that certain unrecorded Amendment to Wind and Easement Lease Agreement dated and effective as of July 30, 2015.

Option and Transmission Easement Agreement

Option and Transmission Easement Agreement dated April 14, 2015 by and between the Irish Family Limited Partnership, and Hale County Wind Farm, LLC, a Memorandum of which was recorded as Document No. 2015-001275 in the Official Public Records of Hale County, Texas, as affected by that certain Notice of Exercise of Option dated December 29, 2016.

Assignment

Assignments (Hale Petersburg Wind is not a party to the following Assignments, which are listed for informational purposes only.)

Assignment of Wind and Easement Lease Agreements effective as of September 9, 2013, by and between Cottonwind Farms, LLC, and Hale Community Energy, LLC, recorded as Document No. 2015-002506 in the Official Public Records of Hale County, Texas.

Assignment of Wind and Easement Lease Agreements effective as of September 9, 2013, by and between Hale County Wind Farm, LLC, and Hale Community Energy, LLC, recorded as Document No. 2015-002504 in the Official Public Records of Hale County, Texas.

Assignment of Wind and Easement Lease Agreements effective as of September 9, 2013, by and between Lakeview Wind Farms, LLC, and Hale Community Energy, LLC, recorded as Document No. 2015-002508 in the Official Public Records of Hale County, Texas.

Amendment to Assignment of Wind and Easement Lease Agreements effective as of September 9, 2013, by and between Lakeview Wind Farms, LLC, and Hale Community Energy, LLC, recorded as Document No. 2016-003380 in the Official Public Records of Hale County, Texas.

Assignment of Wind and Easement Lease Agreements effective as of July 23, 2015, by and between Lakeview Wind Farms, LLC, and Hale Community Energy, LLC, recorded as Document No. 2015-002507 in the Official Public Records of Hale County, Texas.

Assignment of Wind and Easement Lease Agreements dated as of December 15, 2015, by and between Hale Community Energy, LLC, and Hale Wind Energy, LLC, recorded as Document No. 2016-000318 in the Official Public Records of Hale County, Texas, and in Book 0109, Page 0125 in the Official Public Records of Floyd County, Texas.

Second Assignment of Wind and Easement Lease Agreements dated as of March 23, 2016, by and between Hale Community Energy, LLC, and Hale Wind Energy, LLC, recorded as Document No. 2016-001197 in the Official Public Records of Hale County, Texas, and in Book 0112, Page 0009 in the Official Public Records of Floyd County, Texas.

Third Assignment of Wind and Easement Lease Agreements dated as of August 24, 2016, by and between Hale Community Energy, LLC, and Hale Wind Energy, LLC, recorded as Document No. 2016-003145 in the Official Public Records of Hale County, Texas, and in Book 0115, Page 0728 in the Official Public Records of Floyd County, Texas.

Assignment of Option and Transmission Easement Agreement dated as of January 27, 2017, by and between Hale Community Energy, LLC, and Hale Wind Energy, LLC, which will be recorded in the Official Public Records of Hale County, Texas.

Schedule 4.14(d) (Exceptions to Section 4.14(d))

As of March 6, 2017, items in Schedule 4.14(a) marked with “[Term expired – renewal subject to Amendment]” have an expired term. Such Land Contracts are intended to be renewed and extended in connection with the amendment process.

Schedule 4.14(e) (Exceptions to Section 4.14(e))

As of March 6, 2017, items in Schedule 4.14(a) marked with “[Term expired – renewal subject to Amendment]” have an expired term. Such Land Contracts are intended to be renewed and extended in connection with the amendment process.

Schedule 4.14(g) (Zoning)

See Schedule 4.15 (Permits).

Schedule 4.14(l) (Sufficiency of Land Contracts)

None.

Schedule 4.15 (Permits)

Part I of Schedule 4.15 includes all Permits obtained with respect to the Project.

Federal Permits:

1. Federal Aviation Administration (“FAA”) Determinations of No Hazard to Air Navigation dated February 29, 2016, granted to NextEra Energy – HW for the following Aeronautical Study Numbers (“ASNs”):
 - a. 2016-WTW-1117-OE through 2016-WTW-1133-OE
 - b. 2016-WTW-1135OE
 - c. 2016-WTW-1137-OE through 2016-WTW-1153-OE
 - d. 2016-WTW-1156-OE
 - e. 2016-WTW-1181-OE through 2016-WTW-1237-OE
 - f. 2016-WTW-1240-OE
 - g. 2016-WTW-1242-OE through 2016-WTW-1243-OE
 - h. 2016-WTW-1247-OE through 2016-WTW-1251-OE
 - i. 2016-WTW-1254-OE through 2016-WTW-1256-OE
 - j. 2016-WTW-1258-OE through 2016-WTW-1288-OE
 - k. 2016-WTW-1296-OE through 2016-WTW-1300-OE
 - l. 2016-WTW-1357-OE through 2016-WTW-1360-OE
 - m. 2016-WTW-1362-OE through 2016-WTW-1363-OE
 - n. 2016-WTW-1365-OE
2. FAA Determinations of No Hazard to Air Navigation dated August 24, 2016, granted to NextEra Energy – HW for the following ASNs:
 - a. 2016-WTW-1115-OE through 2016-WTW-1116-OE
 - b. 2016-WTW-1134-OE
 - c. 2016-WTW-1136-OE
 - d. 2016-WTW-1154-OE through 2016-WTW-1155-OE
 - e. 2016-WTW-1157-OE through 2016-WTW-1180-OE
 - f. 2016-WTW-1238-OE through 2016-WTW-1239-OE
 - g. 2016-WTW-1241-OE
 - h. 2016-WTW-1244-OE through 2016-WTW-1246-OE
 - i. 2016-WTW-1251-OE through 2016-WTW-1253-OE
 - j. 2016-WTW-1257-OE
3. FAA Determinations of No Hazard to Air Navigation dated August 25, 2016, granted to NextEra Energy – HW for the following ASNs:
 - a. 2016-WTW-1289-OE through 2016-WTW-1295-OE
 - b. 2016-WTW-1301-OE through 2016-WTW-1356-OE
 - c. 2016-WTW-1361-OE
 - d. 2016-WTW-1364-OE

e. 2016-WTW-1366-OE through 2016-WTW-1368-OE

State Permits

1. Texas Certificate of Registration of a Foreign Limited Liability Company to transact business in the State of Texas, dated February 23, 2017.

Part II of Schedule 4.15 lists all Permits that have not yet been obtained but for which the Company has filed applications.

None.

Part III of Schedule 4.15 lists all Permits that have not yet been obtained but are expected to be obtained on or prior to Closing.

Federal Permits:

1. Federal Aviation Administration Permits

State Permits:

1. None.

Local Permits (if required):

1. Utility crossings
2. Habitat Species Relocation

Part IV of Schedule 4.15 lists required Permits that have not yet been obtained and are not expected to be obtained on or prior to Closing.

1. Stormwater Pollution Prevention Plan (SWPP)
2. Turning and Radii Permits.
3. United States Army Corps of Engineers, Nationwide Permit under § 404 of the Clean Water Act (subject to §401 state certification), if necessary
4. County road use agreements
5. SPCC Plan for installed equipment
6. Building Permits
7. Batch Plant Air quality permit
8. O&M Building permits

9. Any/all temporary laydown trailer building permits, as required
10. Transportation plan/permit for contractor provided material and equipment, as required
11. Highway and utility permits, as required
12. Road entrance, highway crossing, utility permits
13. Pipeline crossings
14. Administrative/maintenance building well permit for drinking water
15. Administrative/maintenance building sanitary sewer/septic system permit
16. Small source air permits for tanks, emergency engines, etc.

Schedule 4.15(d) (Notice or Consent with respect to Permits)

None.

Schedule 4.16 (Environmental Matters)

None.

Schedule 4.17 (Intellectual Property)

See Schedule 4.5(f).

Schedule 4.21 (Wind Data)

Delivered on Closing Date.

Schedule 4.22 (Insurance)

The Company is insured under master insurance programs. The insurance coverage currently in place for the Company consists of:

1. Commercial General Liability.
2. Business Automobile Liability.
3. Workers Compensation & Employers Liability.
4. Pollution Liability.
5. Umbrella / Excess Liability.

Note that the insurance will be cancelled as of Closing and will not be transferred.

Schedule 4.25(a) (Reports)

Transmission Reports

1. Siemens PTI Report Number: R054-16 dated April 29, 2016
2. SPP DISIS for Generation Interconnection Requests (DISIS-2012-002) dated January 2013
3. SPP Facility Study for Generation Interconnection Request GEN-2012-020 dated August 2013
4. Interconnection Agreement between Southwest Power Pool, Inc., Southwestern Public Service Company and Hale Community Energy, LLC GEN-2012-020 dated May 29, 2014

Environmental Reports

1. Cottonwind Critical Issues Analysis dated January 13, 2011
2. Agency Coordination Memo dated June 2015
3. Cottonwind Avian Report dated August 2012
4. Hale Avian Use Report dated June 24, 2015
5. Cottonwind Bat Monitoring Final Report dated December 2012
6. Setbacks JPG
7. CRM Memo dated June 29, 2015
8. Wetlands Map dated January 12, 2011
9. Cottonwind Wetlands Jurisdictional Determination dated June 8, 2011
10. Cottonwind T&E Habitat Assessment dated June 6, 2011
11. BBCS dated June 25, 2015
12. Cottonwind Phase I Environmental Site Assessment dated June 6, 2011
13. Phase I Environmental Site Assessment Information Letter
14. Hale Phase I Environmental Site Assessment dated July 15, 2015
15. Final Avian Report dated April 5, 2016

16. Nest Survey Memo dated April 8, 2016
17. May Nest Survey Memo dated August 1, 2016
18. Desktop Wetlands Analysis dated October 14, 2015
19. Cultural Class I Letter dated October 20, 2015
20. HPA Memo dated June 16, 2016
21. Prairie Dog Memo dated December 20, 2016
22. Prairie Dog Options
23. Agency Meeting Minutes dated November 15, 2016
24. USFWS Letter dated December 14, 2016
25. Hale Wind Project Summary dated December 21, 2016
26. Bat Report dated February 7, 2017
27. All GIS constraint files including environmental, site control, houses, roads, pipelines, waterbodies, oil wells, railroads, etc.

Additional Reports

1. Federal Aviation Administration (FAA) Determinations of No Hazard for turbine and permanent met tower locations.

Schedule 4.25(b) (Material Reports)

1. Shadow Flicker Study Report
2. Noise Modeling and Baseline Noise Study
3. Geotechnical Report
4. Wind Resource Assessment

Schedule 4.26 (Affiliate Transactions)

None.

Schedule 6.4 (Buyer's Consent Individuals)

1. Alan J. Davidson
Director of Capital Projects
600 South Tyler Street, Suite 2200
Amarillo Texas 79101-2337
alan.davidson@xcelenergy.com
2. Bruce Gomm
Project Manager
600 South Tyler Street, Suite 2100
Amarillo Texas 79101-2337
3. Chris Whiteside
Project Manager
600 South Tyler Street, Suite 2100
Amarillo Texas 79101-2337

Schedule 6.6 (Uncompleted Development Work)

To be determined in connection with Closing.

Schedule PND (Primavera Network Diagram)

See attached.

Hale Wind 2-6-2017 - SPP 478MW																	
Activity ID	Activity Name	Start	Finish	Rem Dur	Total Hours	Gantt Chart											
						2017											
						Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
						2018											
						Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
						2019											
						Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ISC1540	Vendor Drawing Submittal / SSVT	30-Mar-17	30-Mar-17	1d	3073	F Mar / Apr / M Jun / Jul / Aug / S Oct / N Dec / Jan / F Mar / Apr / M Jun / Jul / Aug / S Oct / Nov / Dec / Jan / F Mar / Apr / M Jun / Jul / Aug / S Oct / Nov											
Collection BOP Materials																	
ISC1960	Negotiate and Execute POs for Collection BOP	14-Dec-17	20-Dec-17	5d	154d	█ Negotiate and Execute POs for Collection BOP											
ISC1460	Manufacturers Lead Time for Collection BOP	21-Dec-17	16-Apr-18	80d	154d	█ Manufacturers Lead Time for Collection BOP											
Substation BOP Materials																	
ISC1290	Negotiate and Execute POs for Substation BOP	30-Nov-17	06-Dec-17	5d	154d	█ Negotiate and Execute POs for Substation BOP											
ISC1400	Manufacturers Lead Time for Substation BOP	07-Dec-17	15-May-18	110d	154d	█ Manufacturers Lead Time for Substation BOP											
T-Line BOP Materials																	
ISC1880	Negotiate and Execute POs for T-Line BOP	17-Oct-17	23-Oct-17	5d	94d	█ Negotiate and Execute POs for T-Line BOP											
ISC1570	Manufacturers Lead Time for T-Line BOP	24-Oct-17	16-Apr-18	120d	94d	█ Manufacturers Lead Time for T-Line BOP											
ISC Contracts for Service																	
Wind Farm EPC																	
WFEPCC130	Wind Farm EPC Negotiation and Contract Creation	03-Nov-17*	27-Nov-17	15d	179d	█ Wind Farm EPC Negotiation and Contract Creation											
WFEPCC140	Wind Farm EPC Contract Execution / SAP entry	21-Nov-17	29-Nov-17	5d	179d	█ Wind Farm EPC Contract Execution / SAP entry											
Substation EPC																	
SSEPC130	Substation EPC Negotiation and Contract Creation	03-Nov-17*	16-Nov-17	10d	184d	█ Substation EPC Negotiation and Contract Creation											
SSEPC140	Substation EPC Contract Execution / SAP entry	14-Nov-17	20-Nov-17	5d	184d	█ Substation EPC Contract Execution / SAP entry											
Transmission Line EPC																	
TLEPC140	T-Line EPC Negotiation and Contract Creation	03-Nov-17*	16-Nov-17	10d	134d	█ T-Line EPC Negotiation and Contract Creation											
TLEPC150	T-Line EPC Contract Execution / SAP entry	14-Nov-17	20-Nov-17	5d	134d	█ T-Line EPC Contract Execution / SAP entry											
TLEPC160	T-Line EPC Vendor Supplied Material Leadtime	21-Nov-17	19-Feb-18	60d	134d	█ T-Line EPC Vendor Supplied Material Leadtime											
Construction																	
Wind Farm Substation, Transmission																	
CON1000	Release from POI to Energize Switchyard / Backfeed	31-Jul-17	31-Jul-17	1d	392d	I Release from POI to Energize Switchyard / Backfeed											
CON1010	Unrestricted Construction Access	06-Feb-18		0d	134d	◆ Unrestricted Construction Access											
CON1020	Seasonal Delay/Restrictions	06-Feb-18	06-Feb-18	0d	134d	◆ Seasonal Delay/Restrictions											
CON1030	Wind Farm EPC Mobilize	15-Aug-18*	28-Aug-18	10d	45d	█ Wind Farm EPC Mobilize											
CON1150	Substation EPC Mobilize	15-Aug-18*	28-Aug-18	10d	45d	█ Substation EPC Mobilize											
CON1160	T-Line EPC Mobilize	15-Aug-18*	28-Aug-18	10d	0d	█ T-Line EPC Mobilize											
CON1050	Road Construction	22-Aug-18	31-Dec-18	90d	45d	█ Road Construction											
CON1040	Substation / Switchyard Construction	29-Aug-18	14-Dec-18	75d	45d	█ Substation / Switchyard Construction											
CON1070	Foundation Construction	20-Sep-18	14-Dec-18	60d	45d	█ Foundation Construction											
CON1090	Collection Construction	20-Sep-18	14-Dec-18	60d	45d	█ Collection Construction											

Hale Wind 2-6-2017 - SPP 478MW																					
Activity ID	Activity Name	Start	Finish	Rem Dur	Total Hours	Date Range: 2017 (Mar-Apr) to 2019 (Oct)															
CON1080	TLine Construction	25-Oct-18	20-Feb-19	80d	0d	[Gantt bars for TLine Construction: 25-Oct-18 to 20-Feb-19]															
CON1080	WTG Deliveries	18-Dec-18	14-Mar-19	60d	40d	[Gantt bars for WTG Deliveries: 18-Dec-18 to 14-Mar-19]															
CON1100	WTG Erection	03-Jan-19	28-Mar-19	60d	40d	[Gantt bars for WTG Erection: 03-Jan-19 to 28-Mar-19]															
CON1110	WTG Mechanical Completion	10-Jan-19	04-Apr-19	60d	40d	[Gantt bars for WTG Mechanical Completion: 10-Jan-19 to 04-Apr-19]															
CON1120	WTG Pre Commissioning	18-Jan-19	11-Apr-19	60d	40d	[Gantt bars for WTG Pre Commissioning: 18-Jan-19 to 11-Apr-19]															
CON1130	Commissioning of Substation(s) and TLine (if Applicable)	21-Feb-19	20-Mar-19	20d	0d	[Gantt bars for Commissioning of Substation(s) and TLine: 21-Feb-19 to 20-Mar-19]															
SYNCH	Synchronization Milestone	20-Mar-19	20-Mar-19	0d	0d	[Milestone diamond at 20-Mar-19]															
CON1140	Final Wind Farm Commissioning	21-Mar-19	14-Jun-19	61d	0d	[Gantt bars for Final Wind Farm Commissioning: 21-Mar-19 to 14-Jun-19]															
CON1140	COD	14-Jun-19	14-Jun-19	0d	0d	[Milestone diamond at 14-Jun-19]															
Reporting Milestones																					
RM8	RFP to Execute EPC Contract	12-Oct-16 A	29-Nov-17	206d	179d	[Gantt bar for RFP to Execute EPC Contract: 12-Oct-16 A to 29-Nov-17]															
RM18	RFP to Execute TLine Contract	12-Oct-16 A	20-Nov-17	201d	134d	[Gantt bar for RFP to Execute TLine Contract: 12-Oct-16 A to 20-Nov-17]															
RM2	Preliminary Roads and Collection Engineering	01-Jun-17	31-Aug-17	65d	94d	[Gantt bar for Preliminary Roads and Collection Engineering: 01-Jun-17 to 31-Aug-17]															
RM13	Backfeed Power from T/O	31-Jul-17	0d	473d	473d	[Gantt bar for Backfeed Power from T/O: 31-Jul-17 to 0d]															
RM22	W/F Layout Frozen	16-Oct-17	0d	420d	420d	[Gantt bar for W/F Layout Frozen: 16-Oct-17 to 0d]															
RM4	Final Geotech	17-Oct-17	05-Nov-17	15d	164d	[Gantt bar for Final Geotech: 17-Oct-17 to 05-Nov-17]															
RM5	Substation Engineering to 90%	17-Oct-17	29-Nov-17	30d	154d	[Gantt bar for Substation Engineering to 90%: 17-Oct-17 to 29-Nov-17]															
RM6	Collection Engineering to 90%	17-Oct-17	13-Dec-17	40d	154d	[Gantt bar for Collection Engineering to 90%: 17-Oct-17 to 13-Dec-17]															
RM7	TLine Engineering to 90%	17-Oct-17	13-Dec-17	40d	94d	[Gantt bar for TLine Engineering to 90%: 17-Oct-17 to 13-Dec-17]															
RM19	Building Permits, Submit to Insurance	29-Dec-17	29-Dec-17	0d	159d	[Milestone diamond at 29-Dec-17]															
RM27	Unrestricted Construction Access	06-Feb-18	0d	345d	345d	[Gantt bar for Unrestricted Construction Access: 06-Feb-18 to 0d]															
RM16	All Environmental Permits in hand	14-Aug-18	0d	45d	45d	[Gantt bar for All Environmental Permits in hand: 14-Aug-18 to 0d]															
RM10	EPC Mobilization	15-Aug-18	28-Aug-18	10d	45d	[Gantt bar for EPC Mobilization: 15-Aug-18 to 28-Aug-18]															
RM12	Substation Construction	29-Aug-18	14-Dec-18	75d	45d	[Gantt bar for Substation Construction: 29-Aug-18 to 14-Dec-18]															
RM14	T Line Construction	25-Oct-18	20-Feb-19	80d	0d	[Gantt bar for T Line Construction: 25-Oct-18 to 20-Feb-19]															
RM11	WTG Deliveries	18-Dec-18	14-Mar-19	60d	40d	[Gantt bar for WTG Deliveries: 18-Dec-18 to 14-Mar-19]															
RM9	Wind Turbines Mechanically Complete	10-Jan-19	04-Apr-19	60d	40d	[Gantt bar for Wind Turbines Mechanically Complete: 10-Jan-19 to 04-Apr-19]															
RM33	Commissioning of SSTLine	20-Mar-19	20-Mar-19	1d	61d	[Milestone diamond at 20-Mar-19]															
RM15	COD	14-Jun-19	14-Jun-19	0d	0d	[Milestone diamond at 14-Jun-19]															

■ Remaining Level of Effort
■ Actual Level of Effort
■ Remaining Work
■ Critical Remaining Work
◆ Milestone

**Tolk Scenarios – Water Model Depletion Ranges and
Energy Supply Cost Inputs to Strategist Tolk Analysis**

**Attachment ML-6(CD)
is provided in electronic
format in**

**Attachment WAG-1(CD) to the
Direct Testimony of William A. Grant**

Workpapers

**Attachment ML-7(CD)
is provided in electronic
format in**

**Attachment WAG-1(CD) to the
Direct Testimony of William A. Grant**